Winter No. 84
2007

CANADIAN Social Trends

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$24 Canada • Catalogue no.11-008
Winter 2007 • No.84

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Winter 2007 No. 84

CST

Canadian Social Trends

December 2007

Published by authority of the Minister responsible for Statistics Canada

Indexed in the **Academic ASAP, Academic Search Elite, Canadian Periodical Index, Canadian Serials, Expanded Academic ASAP, PAIS International, Periodical Abstracts, Periodical Abstracts Research II, ProQuest 5000, Proquest Research Library** and available on-line in the **Canadian Business and Current Affairs Database**.

ISSN 0831-5698 (Print)
ISSN 1481-1634 (Electronic)

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Re-accreditation and the occupations of immigrant doctors and engineers

by Monica Boyd and Grant Schellenberg

The immigration policies of many countries stress the importance of having highly educated workers able to perform well in their knowledge economies. As such, they favour the admission of professionally trained immigrants. Upon their arrival, however, internationally educated professionals often have difficulty finding employment in their chosen careers.

Canada is no different than many other destination countries in this respect, and for many of the same reasons. New immigrants tend to be unfamiliar with the structure of local and national labour markets; they may not have social networks that could support their job search; they often lack language fluency; and they do not possess Canadian work experience. Professionals often encounter a further obstacle to finding appropriate work in their field of expertise: If they wish to be employed in regulated occupations – such as certain trades, law, engineering, and health – they must be certified and/or licensed through professional associations, which generally operate under government statutes.

The purpose of accreditation is to assure public health and safety. Whereas professionals trained in Canada have followed recognized programs of study, have validated work experience and a high command of the language of employment, immigrant professionals may face difficulties in having their degrees, work experience and/or language proficiency recognized.[1] The collision of national immigration policies with professional accreditation thus creates a paradox: while highly educated immigrants are recruited on the basis of their potential professional contributions to Canadian society, the re-accreditation requirements they must meet often act as barriers to the full utilization of their skills.

In recent years, the media have highlighted the particular difficulty of foreign-trained physicians who are unable to practice medicine in Canada. Foreign-trained engineers are another professional group encountering similar difficulties in practicing their profession. Using data from the 2001 Census of Population, this article documents the extent to which foreign trained physicians and engineers are not employed in the occupations for which they studied.

The study of medicine versus the practice of medicine

People who seek to practice as physicians in Canada must be licensed by the appropriate regulatory bodies in the provinces. For those who are internationally educated, basic medical knowledge must be evaluated, which in most cases means that they must pass the Medical Council of Canada's Evaluating Examination (MCCEE). This exam assesses the candidate's general medical knowledge in comparison with graduates of Canadian medical schools. A candidate is eligible to write it only if he or she has a medical degree that is listed with the World Health Organization or the International Medical Education Directory.

Passing the MCCEE does not automatically mean that a person is eligible to practice medicine. In most provinces, graduates of foreign medical schools are required to have two years of postgraduate medical training at a Canadian university to practice family medicine and

CST What you should know about this study

This study analyzes data from the 2001 Census of Population.[1] The study population is restricted to those individuals who were age 32 to 54 at the time of the Census (May, 2001), and living in private households. The age group is chosen because the period between age 32 and 54 is the core of their productive working life for most people, when they are typically well-established in their careers. The age restriction also removes people who may have retired early. In addition, individuals who were enrolled as students during the eight months preceding the 2001 Census were excluded. This restriction removes people who may not have completed their studies and hence may not yet be qualified to work in their intended profession.

Following procedures used in previous studies[2], individuals in the study population were grouped into one of three mutually exclusive categories: (1) those born in Canada; (2) those foreign born who immigrated before 19 years of age; and (3) those foreign born who immigrated when they were 28 years of age or older *and* who arrived in Canada before 1997. Individuals in the first two groups are assumed to have received their highest degree in Canada while those in the third group are assumed to have received their highest degrees elsewhere and to have been resident in Canada for at least four years by December 2000. Data for those born abroad but immigrating as children are included in the tables and charts, but for the sake of clarity will not be discussed in the text. They account for 11% of the study population of physicians (3,800 individuals) and 9% of the study population for engineers (11,700 individuals).

Canadian born: Those members of the study population born in Canada and presumed to have received their highest degree from a Canadian institution.

Internationally educated/Foreign trained: Those members of the study population who immigrated as adults (age 28 or older) and are presumed to have received their highest degree from a foreign institution.

Medical doctors/Medical training: Persons who had completed at least six years of university (at least five years of university in Québec), who had completed a medical degree, and whose highest degree was in the field of medicine.

Engineers/Engineering training: Persons who had completed four or more years of university (at least three years of university in Québec), received a bachelor's degree or higher, and whose highest degree was in the field of engineering.

N.B. These criteria describe the minimal expectations and protocols that are applied in Canada to new labour market entrants – both Canadian- and foreign-born – for professional training in medicine and engineering. By omitting from the analysis those who have fewer years of schooling by Canadian standards, and who thus might have additional difficulty in having credentials recognized, we are conducting a conservative test of what happens to foreign-trained professionals in the Canadian labour market.

For the sake of convenience, this article refers to the study population as doctors or engineers, but this does not necessarily mean these individuals have been licensed or accredited to practice their profession in Canada.

Doctors: General Practitioners and family physicians, specialist physicians

Other health occupations: Dentists, veterinarians, optometrists, and other professions and technical occupations related to health care; includes senior managers and managers.

Engineers: Professional engineers, including mechanical, electrical, computer, chemical, civil, mining, aerospace engineers, and so on.

Managerial occupations: Seniors managers and managers. (Engineers are often promoted to management jobs that they obtain because of their engineering credentials; therefore, this occupational category is included as being analogous to working as an engineer.)

Technical occupations: Information systems analysts, computer programmers, engineering/chemical/biological/ forestry/geological/ technologists and technicians, inspectors and regulatory officials, and so on.

Unrelated/All other occupations: For physicians, all occupations *not* medical doctor or other health occupations; for engineers, all occupations *not* engineering, managerial or technical occupations.

For a full list of occupations included in each category, please consult the relevant sections of the NOCS2001 classification system.

The model

The central analytical question in this article asks the extent to which internationally educated physicians and engineers are not employed in their chosen profession, compared to those who trained in Canada. Since a variety of factors can have an impact on employment outcomes, we use multivariate

CST What you should know about this study – continued

analyses to adjust for the effects of sex composition, age, place of residence, visible minority status, language spoken at home, type of degree and years of university, and field of study. The results are shown as predicted probabilities, which are hypothetical chances out of 100 that an individual would be employed in an occupation, given certain characteristics.

1. Data for 2001 are the most recent at the time of publication. Occupation data will be available from the 2006 Census of Population in March 2008.

2. Boyd, M. 2001. "Asian Engineers in Canada", in *The International Migration of the Highly Skilled: Demand, Supply, and Development Consequences*. W. A. Cornelius and T. J. Espenshade (eds.) La Jolla, California: Center for Comparative Immigration Studies. Boyd, M. and L. Kaida. 2005. "Foreign Trained and Female: The Double Negative at Work in Engineering Occupations." Paper presented at the annual meeting of the Canadian Sociology and Anthropology Association, Learned Societies, London, Ontario, May 30, 2005. Boyd, M. and D. Thomas. 2001. "Match or Mismatch? The Labour Market Performances of Foreign-Born Engineers." *Population Research & Policy Review* 20: 107-133. Boyd, M. and D. Thomas. 2002. "Skilled Immigrant Labour: Country of Origin and the Occupational Locations of Male Engineers." *Canadian Studies in Population* 29(1): 71-99.

four to five years' training for other specialties. In addition, they must pass the appropriate certification examinations of the College of Family Physicians of Canada or the Royal College of Physicians and Surgeons of Canada. Foreign trained immigrants who have studied medicine face barriers to becoming licensed in part because of the small number of residencies available to non-Canadians. Applications from graduates of medical schools outside Canada are processed according to the policies established by each medical institution, but the overall number of applicants who are accepted is small.[2]

On average, internationally educated doctors have been in Canada about 11 years

According to 2001 census data, there are about 5,400 individuals living in Canada who studied medicine in a foreign institution, arrived at age 28 or older, and are between the ages of 32 and 54. They account for 16% of the potential physicians available that year, that is, the pool of persons who meet the minimal educational requirements to practice medicine in Canada (see "What you should know about this study" for a description of those requirements).

Internationally educated individuals with medical fields of study are about 2.5 years older than the Canadian born; their average age is 45.8 years. They are relatively recent immigrants, having been in Canada about 10.8 years. They are more likely to live in the magnet cities: about half live in Toronto, Montreal or Vancouver, compared with just over one-third of doctors born in Canada. Half are members of visible minority groups, fifteen times the rate for Canadian born doctors. Over one-third were born in Asia and another one-fifth in Africa. Given that they come from such diverse regions of the world, it is not surprising that only about half speak English and/or French most often at home (Table A.1).

The foreign trained who studied medicine have fewer years of university schooling; they averaged 8.3 years of university education in contrast to 9.1 years reported by the Canadian born. While 12% of the foreign trained were not working at the time of the 2001 Census, only 2% of the Canadian born did not have employment.

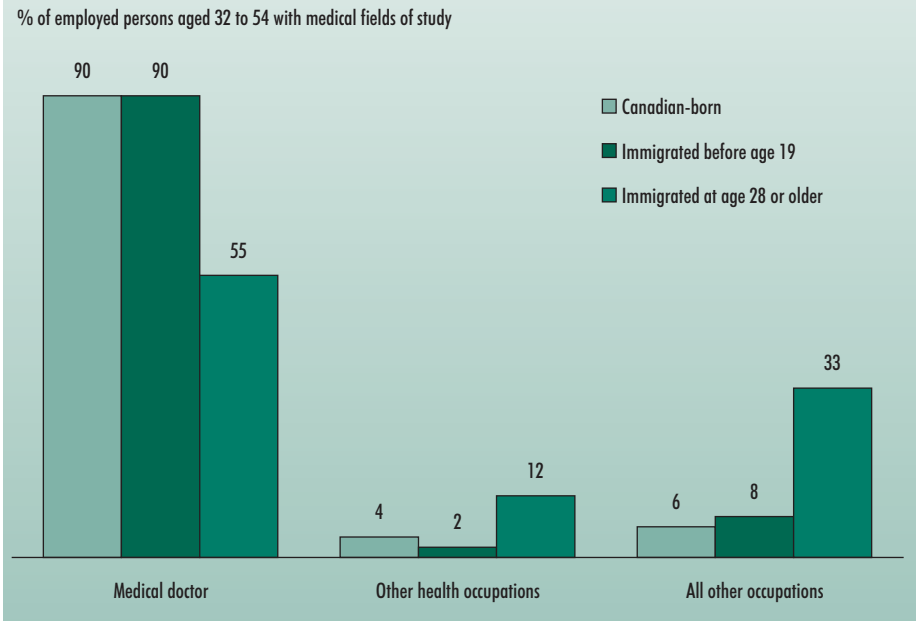
Nevertheless, the most dramatic differences between the two groups arise when examining the occupations in which they were employed. Fully 90% of the Canadian born who studied medicine are working as physicians. In contrast only 55% of the internationally educated work as doctors; furthermore, 33% are employed in occupations that are completely unrelated to either medicine or health care in general (Chart 1).

Birthplace has most significant effect on chances of working as a doctor in Canada

As this brief profile clearly shows, internationally educated physicians constitute a highly heterogeneous group of individuals with widely varying characteristics. These characteristics can have a significant effect on the likelihood that a person will or will not find herself employed in her chosen profession.

Age is generally associated with higher status occupations because older workers usually have more labour market experience and this may increase the likelihood of working in one's chosen profession; on the other hand, age discrimination against older workers also may produce negative effects. Place of residence captures the effects of regional and local labour markets; large cities (CMAs) have more extensive knowledge based economies than smaller towns, and probably better employment opportunities. Language spoken at home is a proxy for fluency in Canada's official languages, since the ability to effectively use English or French not only enlarges employment opportunities but also

CST Chart 1 Just over half of internationally educated doctors worked as physicians in 2001



Source: Statistics Canada, 2001 Census of Population.

is a requirement for medical re-certification in Canada.

Among those who immigrated as adults, one would expect that period of arrival and place of birth would be most important in determining whether or not they succeed in finding work as physicians. The reasons for this are easy to understand: Internationally educated doctors born in countries where English or French are spoken or taught intensively (for example, the US, the UK, North and West European countries) should have greater familiarity with Canada's official languages. Similarly, doctors recently arrived in Canada may not yet be eligible to work as physicians because it takes time to complete exams and undertake any new training required for re-accreditation. Finally, the 1990s presented a less favorable labour market to all immigrants than earlier decades, and this may have affected the match between credentials and occupation.

Indeed, a multivariate regression shows that these personal characteristics are significantly associated with the likelihood that a foreign trained person who studied medicine would actually practice medicine (see "What you should know about this study" for a more complete description of the technique). When all other variables in the model are controlled for, it is clear that those born in some regions have a better chance of finding employment as a physician.

A physician born in Canada, and assumed to have trained in a Canadian institution, would have a 92% predicted probability of working as a doctor. Taking all other variables into account, their internationally educated counterparts born in Africa or South Asia would also have very good chances, estimated at 85% and 87% respectively. In contrast, a foreign trained physician born in other regions of Asia or in Eastern Europe had the lowest hypothetical chances (less than 66 out of 100) of being employed in their chosen profession (Table 1).

The impact of period of arrival is not so markedly associated with the predicted probability of being employed as a medical doctor. The chances that a foreign trained doctor who arrived before 1980 would work as a physician were very similar to those of a Canadian born person who studied medicine, at 95% and 92%, respectively, when other factors are controlled for. However, the predicted probabilities of finding employment in their preferred profession decline for more recent arrivals. A foreign-trained physician who arrived in the early 1980s would have an 86% predicted probability of working as a doctor, but only a 70% probability if he or she had come in the early 1990s. In general, immigrants arriving in the 1990s and later have experienced greater labour market difficulties than those arriving in previous decades.

Internationally educated engineers are older and better educated

Canada's emphasis on admitting high skilled workers can be seen in the number of foreign trained engineers who have been welcomed to this country. Approximately 34,100 engineers in the study population had immigrated as adults, and they accounted for over one-quarter of trained engineers aged 32 to 54 in Canada (Table A.2).

In order to be licensed as a professional engineer in Canada, a foreign trained person must formally apply to the appropriate provincial or territorial licensing body, pay the required fees, and meet all of its admission requirements. Among these requirements are the successful completion of a technical exam and a professional ethics exam; proof that the applicant has four years' experience, including one year of Canadian work experience; and provision of references from Canadian professional engineers.

Internationally educated engineers are a little more mature than other engineers; with an average age of 44.5, they are almost 3 years older than their Canadian born counterparts. Almost one in five are women, twice the rate for the

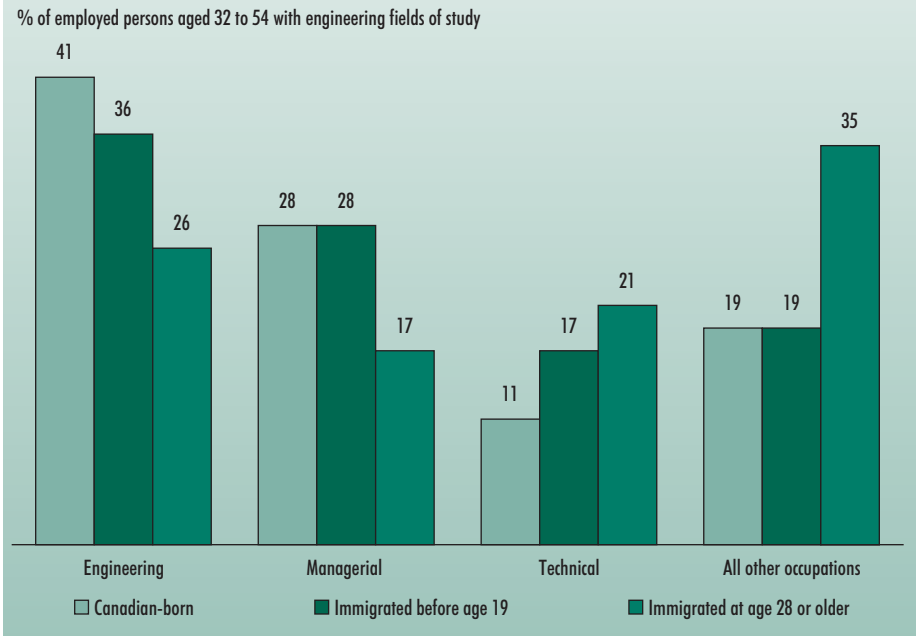
CST Table 1 Foreign-trained doctors who are recent immigrants have much lower hypothetical chances of working as a physician

	Predicted probability of being employed in a health occupation[1]		
	Medical doctors	Other health occupations	All other occupations
	Percent (distribution across)		
Canadian-born	92	4	5
Immigrated before age 19	92	2	6
Immigrated at age 28 or older			
Birthplace			
North America, Western Europe and Oceania	79	8	12
Eastern Europe	65	18	17
Caribbean, Central and South America	77	8	15
Africa	85	4	11
South Asia	87	3	10
South East Asia	62	21	17
East Asia	59	18	23
West Asia	63	6	31
Immigration period			
Arrived before 1980	95	1	4
Arrived from 1980 to 1985	86	8	6
Arrived from 1986 to 1990	76	7	17
Arrived from 1991 to 1996	70	11	20

1. Estimated chances out of 100 for persons aged 32 to 54 with highest level of schooling in medical fields of study when all other variables in the model are controlled for.

Source: Statistics Canada, 2001 Census of Population.

CST Chart 2 More than half of foreign-trained engineers worked in technical occupations or jobs unrelated to engineering in 2001



Source: Statistics Canada, 2001 Census of Population.

Canadian born, and over two-thirds of them live in Toronto, Vancouver or Montréal. Almost half are from Asian countries, and over one-quarter were born in Eastern Europe. Having emigrated from so many countries, foreign trained engineers represent a rich variety of cultures and it is no surprise that over two-thirds speak a language other than English or French in their homes. More than half are members of a visible minority group; in contrast, less than 3% of Canadian born engineers are visible minorities.

Many foreign trained engineers arrived in Canada during the 1990s; on average, they have been in the country for about 9 years. Unlike foreign trained physicians, engineers who studied abroad tend to be slightly more educated than the Canadian born, spending an average 5.4 years obtaining their credentials compared to 4.9 years.

Although internationally educated engineers are only marginally less likely to have been employed at the time of the 2001 Census, the occupations in which they worked are substantially different from those of the Canadian born. Only 26% of foreign-trained engineers hold jobs in engineering occupations, compared with 41% of Canadian-born engineers. And a far smaller proportion work in managerial occupations, at 17% and 28% respectively (Chart 2).

Western-trained engineers more successful in matching education with occupation

What underlies these differing occupational destinies of individuals who studied engineering? Personal characteristics play a role but, as with physicians, period of arrival in Canada and place of birth are key explanatory factors. Birthplace in particular is an important issue for engineers because the Canadian Council of Professional Engineers[3] has mutual agreements recognizing accredited engineering programs in some countries, including the US, the UK, France, Australia, New Zealand

and Hong Kong. These agreements should minimize the potential barriers to professional re-certification faced by individuals who received their education in those countries.

Indeed, the predicted probability that an internationally educated engineer born in North America, Europe or Oceania would be employed as an engineer is effectively the same as that of a Canadian born engineer – 39% compared to 40%. The chances are almost as high, all other factors being accounted for, for engineers born in South Asia or in the Caribbean or Latin America. On the other hand, the predicted probability is very low, at only 15%, for those born in South East Asia (Table 2).

Similarly, the hypothetical chances of being employed as an engineer are lower for those who arrived in Canada more recently, once other factors are controlled for. An internationally educated engineer who arrived before the 1980s would have a substantially higher probability of working in his chosen field than one who arrived in the early 1980s (47% versus 35%); another ten years later, in the early 1990s, the predicted probability would have been only 31%.

How being born in another country can influence job match in Canada

A professional's personal characteristics – level of education, field of study, language fluency, proximity to knowledge economy labour market, and so on – affect the likelihood of obtaining employment appropriate to his skills and training, But when he or she is an immigrant – and especially if he or she has recently arrived – characteristics of the country of origin can also play a part in their success. Political or economic disruptions may mean a person cannot produce sufficient documentation for accreditation; for instance, during the 1990s, the number of immigrants accepted into Canada on humanitarian grounds increased.

Most importantly, though, for the professional seeking Canadian recertification are characteristics of the educational system in the source country: the length of schooling, the quality of education,[4] including the content of professional degrees and the requirements for specialized degrees, as well as the use of French or English in the educational system (or in major sectors of the economy).

The model in this study takes into account differences within the two study populations by controlling for individual characteristics and variations in group compositional structure. However, it is not possible to account for differences in source country characteristics that may affect an immigrant's training and work experience. Nevertheless, the findings do suggest that occupational differences between the Canadian born and the foreign born are related to certification requirements, which may not view programs of study in foreign schools as equivalent to those provided by Canadian schools.

CST Table 2 Birthplace has a significant impact on a person's hypothetical chances of working as an engineer

	Predicted probability of being employed in an engineering occupation[1]			
	Engineering	Managerial occupations	Technical occupations	All other occupations
	Percent (distribution across)			
Canadian-born	40	28	12	21
Immigrated before age 19	40	29	13	18
Immigrated at age 28 or older				
Birthplace				
North America, Western Europe and Oceania	39	20	19	23
Eastern Europe	31	14	24	31
Caribbean, Central and South America	35	20	14	32
Africa	33	25	14	27
South Asia	34	25	12	29
South East Asia	15	11	15	58
East Asia	31	30	17	22
West Asia	27	35	9	29
Immigration period				
Arrived before 1980	47	21	11	22
Arrived from 1980 to 1985	35	26	15	24
Arrived from 1986 to 1990	32	22	16	30
Arrived from 1991 to 1996	31	17	20	32

1. Estimated chances out of 100 for persons aged 32 to 54 with highest level of schooling in engineering fields of study when all other variables in the model are controlled for.

Source: Statistics Canada, Census of Population, 2001.

Summary

Census of Population data confirm that internationally educated physicians and engineers are less likely to find employment in occupations commensurate with their professional training. Underemployment is most common among foreign trained immigrants born in South East Asia and East Asia. Conversely, for those who received medical or engineering training outside Canada, the internationally educated born in European countries other than Eastern Europe or in South Asian

countries are the most likely to practice medicine or to work as engineers.[5] These findings are consistent with reports which stress that re-accreditation requirements are important factors mediating the labour market integration of the foreign trained.

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1. Both medical and engineering associations require demonstration of language proficiency for reasons of public safety. However, there can be significant disparities between licensing associations and applicants as to what constitutes acceptable levels of language "proficiency." Case studies reveal that professional immigrants are told that their language skills are insufficient when in fact they believe their language proficiencies are good. At issue here may be different perceptions over the number of words that are known or considered to represent a good level of language skills, the knowledge of technical terms used in Canada, and accent.
2. For the years 1996 to 1999, the number of international medical graduates (IMG) accepted in the second iteration of the resident match ranged from 11 to 35. Numbers rose thereafter, but in 2005 only 80 matches were made, involving IMG placements in Canadian medical schools. This represented 13% of the total number of foreign trained applicants who applied to the 2005 Canadian Resident Matching Service, and this rate is in general higher than observed in the early 1990s. (www.carms.ca/jsp/main.jsp?path=../content/statistics/report/re_2005#table23, accessed June 9, 2005; www.carms.ca/eng/operations_R1stat_2005_e.shtml#imgs2nd, accessed June 14, 2007). In 2006 and 2007, placements in the second iteration rose to 111 then fell to 69 foreign trained doctors respectively. However, following a motion agreed upon by the Association of Faculties of Medicine in Canada (AFMC), international medical graduates who meet the eligibility criteria are now permitted to apply to the first iteration in six out of eight provinces (www.carms.ca/eng/r1_about_intro_e.shtml, accessed June 15, 2007).
3. In February 2007, the Canadian Council of Professional Engineers changed its name to engineerscanada/ingenieurscanada.
4. Boyd, M. And D. Thomas. 2001. "Match or Mismatch? The Labour Market Performances of Foreign-Born Engineers." *Population Research & Policy Review* 20: 107-133; Sweetman, A. 2004. "Immigrant Source Country Educational Quality And Canadian Labour Market Outcomes." Analytical Studies Branch Research Paper Series, Statistics Canada, Catalogue no. 11F0019MIE No 234.
5 Alboim, N. and E. McIsaac. 2007. "Making the Connections: Ottawa's Role in Immigrant Employment." *Choices* Vol. 13, No. 3 (May) 2-24; Szafran, O., R. A. Crutcher, and S. R. Banner Mamoru Watanabe. 2005. "Canadian and immigrant international medical graduates." *Canadian Family Physician*, Vol. 51 September 2005: 1242-1243; Wanner, R.A. 1998. "Prejudice, profit or productivity: Explaining returns to human capital among male immigrants to Canada." *Canadian Ethnic Studies*, Vol. 30, No. 3: 24-32.

CST Table A.1 Selected characteristics of the population aged 32 to 54, with medical fields of study, by age at immigration, 2001

	Canadian-born	Age 0 to 18	Age 28 or older	Total
Population	24,485	3,825	5,395	33,705
	Percentage (distribution down)			
Sex				
Men	65	69	62	65
Women	35	31	38	35
Age				
32 to 39	32	44	14	30
40 to 49	51	41	56	50
50 to 54	18	16	30	20
Average age	*43.1*	*41.5*	*45.8*	*43.3*
Place of residence				
Montréal	16	10	10	14
Toronto	12	27	30	17
Vancouver	7	12	11	8
Other census metropolitan areas	37	38	34	37
All other areas	28	14	15	24
Region of residence				
Atlantic provinces	8	5	5	7
Québec	32	12	13	27
Ontario	32	50	47	37
Manitoba and Saskatchewan	6	5	6	6
Alberta	9	12	12	10
British Columbia	13	16	16	14
Territories and Nunavut	0.2	0.1	0.1	0.1
Visible minority status				
No	97	56	50	85
Yes	3	44	50	15
Home language				
Only English and/or French	99	91	54	91
Other languages	0.5	9	47	9
Birthplace				
Canada	100	...	...	73
North America, Western Europe and Oceania	...	44	20	8
Eastern Europe	...	6	16	3
Caribbean, Central and South America	...	6	6	2
Africa	...	9	22	5
South Asia	...	10	9	3
South East Asia	...	6	8	2
East Asia	...	16	14	4
West Asia	...	3	7	1
Years since arrival				
Not applicable	100	...	...	73
4 to 5	...	...	18	3
6 to 10	...	...	38	6
11 to 20	...	6	38	7
21 years or more	...	94	6	12
Average years since arrival	*...*	*32.0*	*10.8*	*...*
Highest level of schooling				
Medical only	87	87	75	85
Medical and masters	10	9	14	10
Medical and Ph.D.	3	4	12	5
Years of university				
5 years[1]	6	2	...	5
6 years	13	13	30	16
7 years	12	16	20	14
8 years	16	16	14	15
9 years	11	10	6	10
10 years	13	11	10	12
11 years	8	11	6	8
12 years	9	8	6	8
13 years or more	13	14	7	12
Average years of university	*9.1*	*9.3*	*8.3*	*9.0*
Field of study				
General practitioner	82	83	79	81
Specialist	18	18	21	19
Employment status				
Not employed during reference week	2	3	12	4
Employed during reference week	98	98	88	97
Occupation				
Medical doctor	90	90	55	85
All other health occupations	4	2	12	5
All other occupations	6	8	33	11

... not applicable

1. Fewer years of schooling are required to obtain a bachelor's degree in Quebec.

Note: Figures may not sum to 100 due to rounding.

Source: Statistics Canada, 2001 Census of Population.

Table A.2 Selected characteristics of the population aged 32 to 54, with engineering fields of study, by age at immigration, 2001

	Canadian-born	Age 0 to 18	Age 28 or older	Total
Population estimate	78,150	11,670	34,150	123,970
	Percentage (distribution down)			
Sex				
Men	92	91	83	89
Women	8	9	17	11
Age				
32 to 39	42	46	23	37
40 to 49	43	36	54	45
50 to 54	15	19	23	18
Average age	*41.7*	*41.7*	*44.5*	*42.4*
Place of residence				
Montréal	18	14	11	16
Toronto	14	34	44	24
Vancouver	6	10	14	8
Other census metropolitan areas	43	34	27	37
All other areas	20	8	4	14
Region				
Atlantic provinces	7	3	1	5
Québec	31	16	13	24
Ontario	36	56	60	44
Manitoba and Saskatchewan	4	2	2	3
Alberta	14	12	9	13
British Columbia	9	12	15	11
Territories and Nunavut	0.2	0.2	0.1	0.2
Visible minority status				
No	98	57	47	80
Yes	3	43	53	20
Home language				
Only English and/or French	99	82	31	79
Other languages	1	18	69	21
Birthplace				
Canada	100	...	...	63
North America, Western Europe and Oceania	...	45	13	8
Eastern Europe	...	5	29	8
Caribbean, Central and South America	...	7	5	2
Africa	...	6	8	3
South Asia	...	5	8	3
South East Asia	...	8	11	4
East Asia	...	18	17	7
West Asia	...	5	10	3
Years since arrival				
Not applicable	100	...	...	63
4 to 5	...	...	28	8
6 to 10	...	...	41	11
11 to 20	...	12	27	9
21 years or more	...	88	4	9
Average years since arrival	...	*31.4*	*9.3*	...
Highest level of schooling				
Bachelors	77	75	50	70
Bachelors with certificate or diploma	5	6	12	7
Masters	15	15	29	19
Ph.D.	3	4	9	4
Years of university				
3 years[1]	3	2	...	2
4 years	50	51	31	45
5 years	22	23	42	28
6 years	12	12	12	12
7 years	6	6	5	6
8 years or more	6	7	11	8
Average years of university	*4.9*	*5.0*	*5.4*	*5.1*
Field of study				
Electrical	19	22	24	21
Chemical	7	7	7	7
Civil	16	12	18	16
Mechanical	17	16	21	18
Other engineering fields of study	15	14	14	15
Engineering not elsewhere classified	25	30	17	23
Employment status				
Not employed during reference week	5	6	11	7
Employed during reference week	95	94	89	93
Occupation				
Engineering	41	36	26	37
Managerial	28	28	17	25
Technical	11	17	21	15
All other occupations	19	19	35	24

... not applicable

1. Fewer years of schooling are required to obtain a bachelor's degree in Quebec.

Note: Figures may not sum to 100 due to rounding.

Source: Statistics Canada, 2001 Census of Population.

CST Census snapshot of Canada — Urbanization

The richest source of information on the socio-economic condition of Canadian society is the Census of Population conducted every five years. Canadian Social Trends *will be highlighting some of the key trends observed in data released from the* 2006 *Census.*

Think of Canada and what tends to come to mind are wilderness scenes and wide-open spaces. However, the Canadian population is becoming increasingly urbanized. In 2006, 80% of all Canadians lived in an area classified as urban, up from 78% in 1996 and 76% in 1986. The fact that four out of five Canadians currently live in an urban area represents a great shift from earlier years in the 20th century. Before the Second World War, for example, just over half the Canadian population was urbanized.

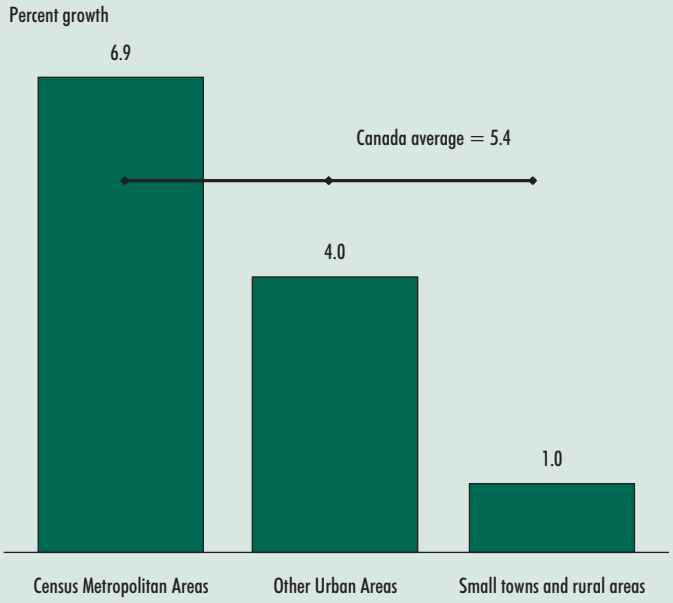
Census quick fact

As of May 16, 2006, the population of Canada stood at 31.6 million. This represented an increase of 5.4% from 2001, a faster rate of growth than the previous five-year period when the population rose by 4.0%. The current population growth rate, though, is still considerably slower than in the period following the World War II. From 1956 to 1981, for example, the average growth of the Canadian population was around 9% in each five-year intercensal period.

Most of the recent increase in the urbanization of the Canadian population is accounted for by the country's largest urban areas. Almost 90% of the total population in growth in Canada since 2001 has occurred in the country's 33 census metropolitan areas (CMA). Overall, between 2001 and 2006, the popualtion living in one of the country's CMAs rose by almost 7%, compared with 4% in other urban centres and just 1% in small towns and rural areas.

As a result, as of 2006, 68% of the Canadian population lived in a CMA. Moreover, the majority of CMA inhabitants (45% of the total population) lived in one of the six largest CMAs – that is, either Toronto, Montréal, Vancouver, Ottawa-Gatineau, Calgary or Edmonton. And these six urban areas accounted for two-thirds of population growth in the past 5 years. In fact, between 2001 and 2006, the population of the country's six largest CMAs grew by almost 8%, double the rate for the other CMAs (4%) over the same period.

Urban-rural variation in population growth across Canada, 2001 to 2006



Source: Statistics Canada, Census of Population, 2001 and 2006.

(A census metropolitan area is an urban area with a population of at least 100,000, including an urban core with a population of at least 50,000. Canada now has 33 CMAs, up from 27 in 2001. The six new CMAs are Moncton, Barrie, Guelph, Brantford, Peterborough and Kelowna.)

Overall, the population of the Toronto CMA is now over 5 million, while 3.6 million people live in Montréal, over 2 million in Vancouver, and just over one million in each of Ottawa-Gatineau, Calgary and Edmonton.

Calgary and Edmonton, whose populations exceeded one million for the first time in the 2006 census, are Canada's fastest growing major urban areas. Between 2001 and 2006, the population of Calgary grew by 13%, and that of Edmonton by 10%. There were also substantial population increases in Toronto (9%), Vancouver (7%), Ottawa-Gatineau (6%) and Montréal (5%).

While the largest metropolitan areas account for most of the overall population growth in Canada in recent years, a number of smaller cities have also grown substantially. Between 2001 and 2006, for example, the population of

CST Census snapshot of Canada — Urbanization – continued

Okotoks, Alberta, which is nestled in the Sheep River Valley just south of Calgary, rose by 47%, while other Alberta communties recording increases of over 20% included Wood Buffalo (24%), Red Deer (22%) and Grande Prairie (22%). The population was also up 19% in Barrie, one of Canada's newest CMAs, while there were increases of 13% in Lloydminster on the Alberta-Saskatchewan border, and in Yellowknife.

For more information on census population and dwelling counts, or about the Census in general, visit the Census website at http://www12.statcan.ca/english/census/index.cfm.

Delayed transitions of young adults

by Warren Clark

The transition to adulthood is often viewed as a period where young people move by stages into adult roles. The years after age 18 offer an opportunity for young people to become increasingly independent from their parents. During this period of transition, young people make a wide range of choices about where and with whom they live, how they will pursue their studies, what type of work they are interested in and whether or not they will get married and have children.

In recent years, social scientists have found that the transition to adulthood is taking longer to complete. Young people are living with their parents longer,[1] are more highly educated and attend school for more years than their parents did. The age at marriage has been rising, fertility rates have been falling and the age at which women have their first child has been increasing.[2]

This article explores the transitions that young people make on their way to adulthood. Using census data from 1971 to 2001, it documents how the timing of transitions has changed and been delayed. It profiles the young adult population aged 18 to 34 and examines the five transitions that many young people make on their way to adulthood: leaving school, leaving their parents' home, having full-year full-time work, entering conjugal relationships and having children.

Briefly: The young adult population

According to the 2001 Census, there were approximately 6.7 million young adults between the ages of 18 and 34 in private households. About 41% of them were under 25, which is that year, when transitions to adulthood often occur most quickly. Young adults are also a highly heterogeneous group, reflecting the rapidly growing ethnic diversity of the Canadian population over the last 30 years: almost one in 5 is foreign-born, one in 6 is a member of a visible minority group (Table 1).

They are the most mobile group in the population -- about one in four had moved in the year prior to the 2001 Census -- as they actively seek out new education and employment opportunities and form their own households. They are also more likely to live in one of Canada's largest cities where education and job opportunities tend to be more abundant.

Table 1 Today's young adults aged 18 to 34 differ substantially from those 30 years ago

	1971	1981	1991	2001
Number of young adults aged 18 to 34 living in private households (000s)	**5,398**	**7,366**	**7,447**	**6,685**
			percentage	
Age				
18 to 24	48	44	36	41
25 to 29	29	29	31	28
30 to 34	24	27	33	31
Years in Canada since immigrating				
Canadian-born	84	86	85	82
5 years or less	6	3	4	6
Over 5 years	10	11	9	11
Non-permanent resident	...	...	2	1
Visible minority	**...**	**5**	**11**	**16**
Highest level of schooling				
Less than high school graduation	33	31	24	18
High school diploma or some postsecondary	42[1]	33	35	34
Trades or college certificate or diploma	16[2]	24	27	28
University degree, certificate or diploma	9	12	14	20
Ever-married or currently common-law union	**61**	**59**	**54**	**45**
Has children in same household	**44**	**39**	**35**	**29**
Lives in one of the 3 largest census metropolitan areas	**32**	**30**	**34**	**36**
Montréal	14	12	12	12
Toronto	13	13	16	17
Vancouver	5	5	6	7

... not applicable

1. Includes people who had college certificate or diplomas other than trades or vocational programs as they were not identified in the 1971 Census.
2. Includes only apprenticeship, trades and other vocational certificates, diplomas and completions.

Source: Statistics Canada, Censuses of Population.

The pace of each transition is slower than in 1971

Age 18 is often viewed as one of the milestones passed on the way to adulthood. In Canada, eighteen is the legal age for voting. It is the age at which many young adults prepare to leave high school and explore other educational or work opportunities. At age 18, few have crossed any of the five traditional bridges to adulthood: leaving school, leaving home, steady full-time work, conjugal union and parenting.

The number of transitions that a young adult has made is a rough indicator of their progress toward adulthood between ages 18 and 34. Using the markers set out in this article, that number can range from zero to five. Not surprisingly, on average, 18-year-olds have made fewer transitions to adulthood than 34-year-olds (Chart 1). But more importantly, young adults in 2001 had gone through fewer transitions than the 1971 cohort had when it was the same age.

On average, a 25-year-old in 2001 had gone through the same number of transitions as a 22-year-old in 1971 and a 30-year-old in 2001 had made the same number of transitions as a 25-year-old in 1971. This suggests that the path to adulthood is no longer as straight as it was back in 1971. In fact, you could say that the transitions of today's young adults are both delayed and elongated: delayed, because young adults take more time to complete their first major transition (leaving school), thus postponing all subsequent transitions; and elongated, because each subsequent transition takes longer to complete and stretches the process from their late teens to their early 30s (as shown by the much gentler slope of the line for the 2001 cohort in Chart 1). In contrast, the 1971 cohort packs more transitions into the years from their late teens to their mid-20s and fewer into their early 30s.

Women make transitions earlier than men

Women generally go through the major transitions to adulthood at a younger age than men. They are more likely to leave home, marry and have children at a younger age; on the other hand, men leave school earlier and have full-year full-time employment at a younger age. In 2001, at age 18, there is no difference in the average number of transitions that young women and men have made (each report 0.4). However, because women go through

CST What you should know about this study

Typically the analysis of life course transitions uses longitudinal data where the same individuals are followed over a period of time. This article focuses on a comparative cohort analysis looking at four cohorts of young people aged 18 to 34 in private households from the 1971, 1981, 1991 and 2001 Censuses of Population. Five markers of the transition to of adulthood are examined: leaving school, leaving home, working full-year full-time, finding a conjugal partner and having children.

These markers of adulthood are snapshots taken on the Census reference dates and do not represent completed or irreversible social changes: they simply record the state of transition young adults were in on those dates. If these young adults were questioned on other dates, they may have reversed direction in their transition to adulthood. For example, young adults who leave home at one point in time may return to live with their parents at a later date; those who no longer attend school may subsequently return; those who hold a full-time job may lose it or leave it. Some young people may combine school and work; others may test the labour market and then return to school. Some may begin their families before leaving school and entering the labour market, while others may wait to marry and have children until after they have established a career.[1] Nevertheless, these indicators reflect key entry points to adult status and are therefore still useful in understanding the transition to adulthood.

The five markers of adult transition are:

Left school – has not attended school, college or university either full-time or part-time during the nine-month period between September and May.

Left parental home – is not a child in an economic family or a never-married child in a census family.

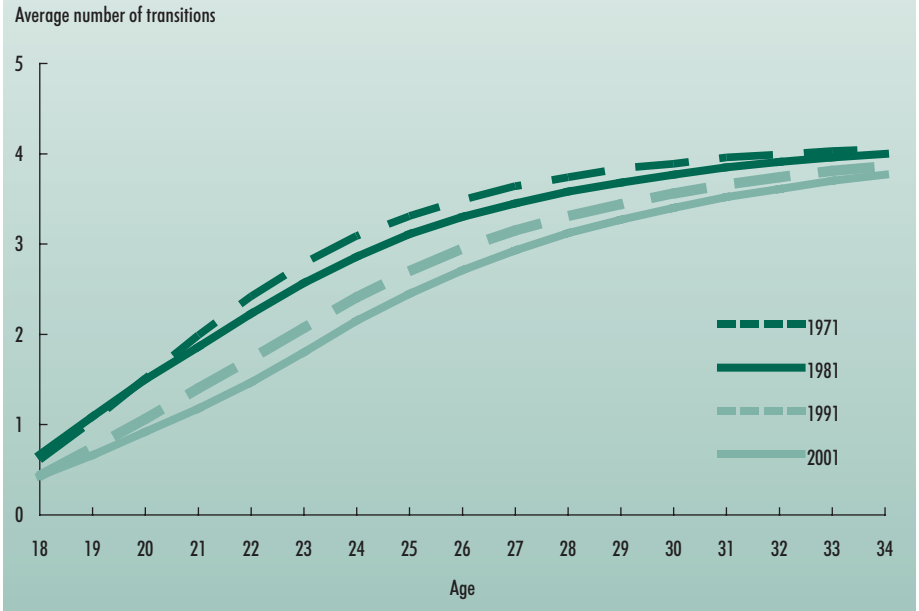
Full-time full-year work – has worked full-time for at least 49 weeks during the last year.

Ever in a conjugal union – is married, widowed, separated or divorced (i.e., ever married) or is currently in a common-law relationship. In the text, this concept is referred to as "ever in a conjugal union".

Has children – has never-married children living in the same household.

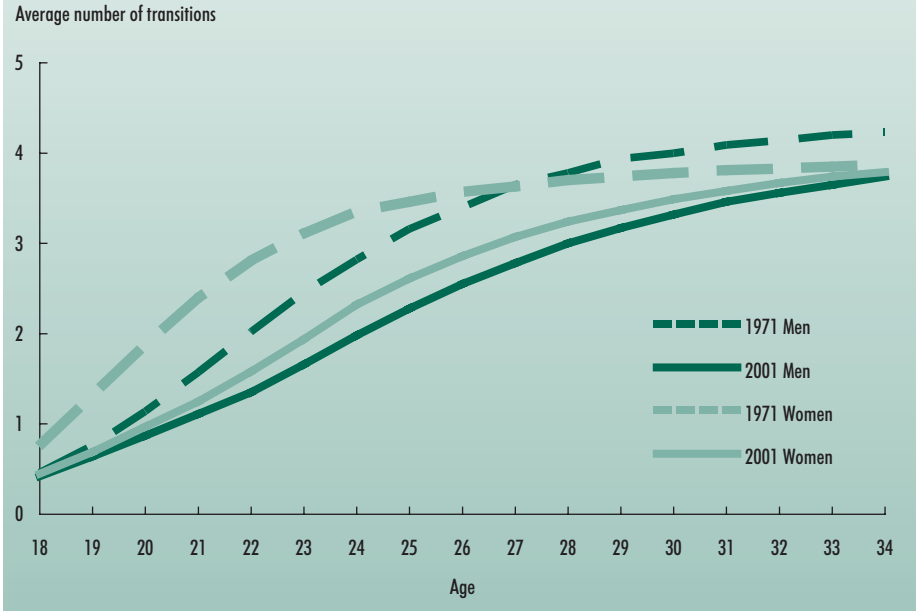
1. Rumbant, R.G. 2004. "Young adults in the United States: A Profile." The Network on Transitions to Adulthood. *Research Network Working Paper* No. 4. http://www.transad.pop.upenn.edu. Accessed 29 January 2007.

CST Chart 1 Young adults have made fewer transitions



Source: Statistics Canada, Censuses of Population.

CST Chart 2 Today's young women have made more transitions than men by their mid-20s



Source: Statistics Canada, Censuses of Population.

more changes earlier than men, the gender gap increases in the early to mid-20s. By the time they reach their 30s, the gap has closed (Chart 2).

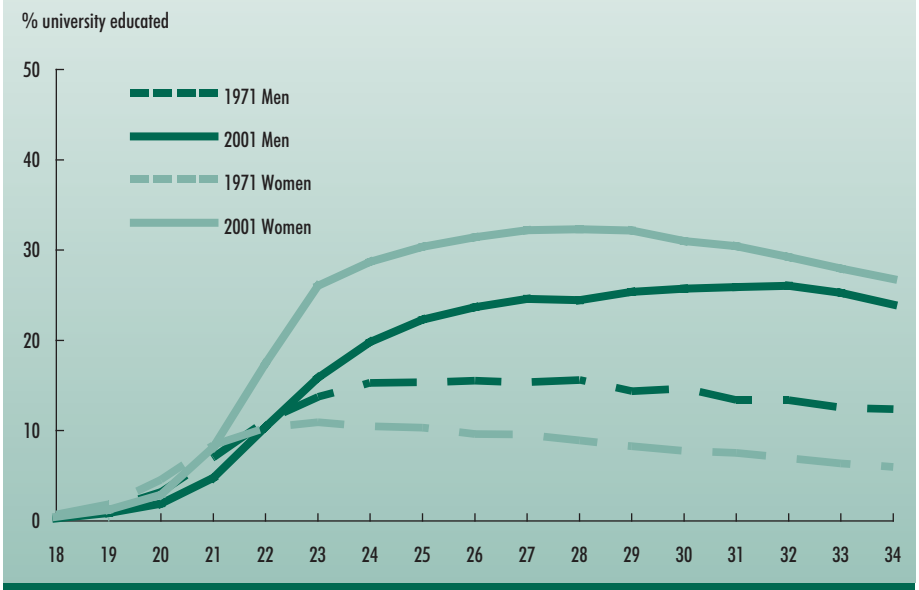
This is quite different from the situation in 1971, when young women had made more transitions than men by age 18 and the gender gap had closed at age 27. This was a time before it was common for young women to receive a postsecondary education, and many women got a job, and most married and had children after leaving high school. Similarly, men of that era were more likely to be in a conjugal relationship and to have children, explaining why they matured faster than the 2001 cohort.

Staying in school delays most transitions

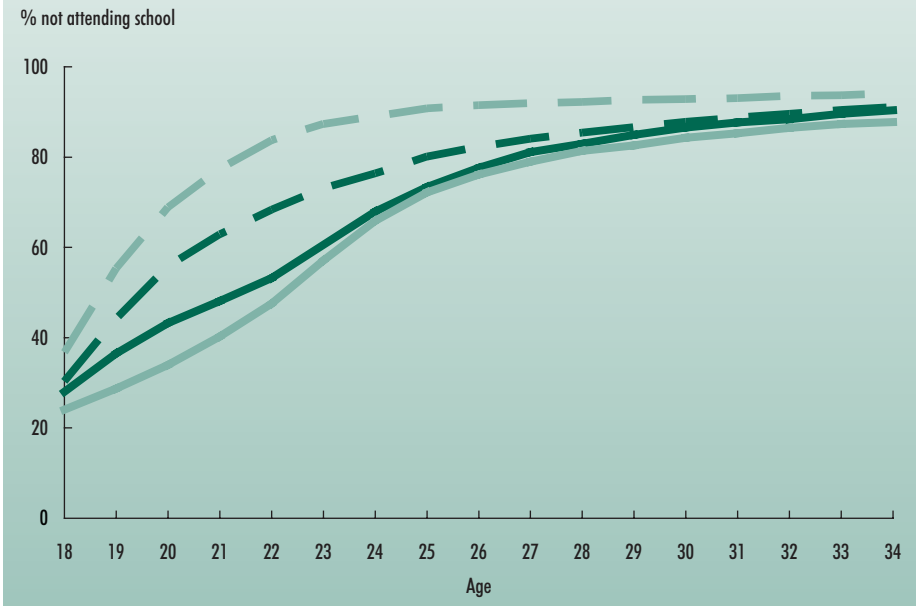
The changing role of women in society has contributed to the remarkable progress women have made in their educational attainment over the last 30 years (Chart 3). No longer are they relegated to a narrow set of educational opportunities and career possibilities. The percentage of young women aged 30 to 34 who are university-educated has increased fourfold from 7% in 1971 to 29% in 2001. The proportion nearly doubled from 13% to 25% for young men over the same period. On many university campuses, women now outnumber men (although men still remain in the majority at the doctoral level).[3]

The result of these shifts in expectations and opportunities is that both women and men are finishing their education at later and later ages. In 1971, three-quarters of young adults had left school by age 22 whereas only half had left by that age in 2001. Today's bachelor's recipients graduate at age 23, but they are much more likely than the previous generation to go on to a master's or doctoral program where the median age of graduation is 29 and 33, respectively.[4] Since most young people defer marriage and parenthood until they have completed their education, the extended period

Chart 3 Gains in educational attainment...



... means leaving school at older ages



Source: Statistics Canada, Censuses of Population.

of schooling undertaken by today's young adults puts almost all other transitions to adulthood on "hold."

Women still leave home at a younger age than men

For many parents, an adult child leaving home is viewed as an indicator of successful transition to adulthood. However, it is taking longer to reach that stage; in 2001, for example, 60% of men and 73% of women aged 25 were no longer living with their parents, compared with 78% of men and 89% of women aged 25 in 1971 (Chart 4). But most parents would also agree that living at home while attending school can make it easier and less expensive for young people to complete their education and obtain employment.[5] So more children delay their exit from the parental home until they complete their studies and are able to be financially independent. However, not only are today's young adults leaving home at later ages than their parents' generation, but they are also more likely to be returning.[6]

In each generation, though, young women tend to leave home sooner than men. This gender difference reflects the fact that women enter into conjugal relationships at younger ages than men.

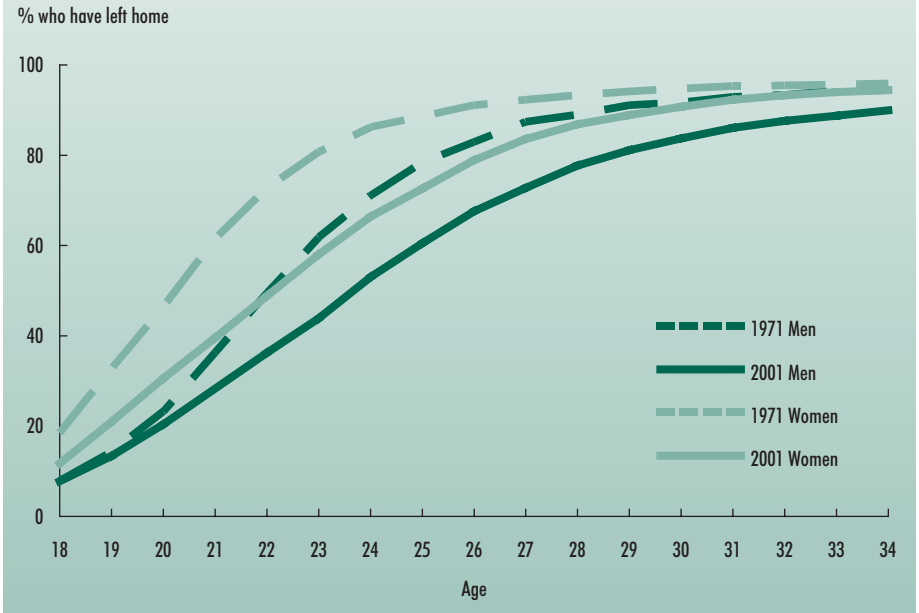
Once today's young adults do leave home, they are more likely to live alone. This is especially true for those with university education. Young men are also more likely than young women to live by themselves: the rate peaks at age 28 (13%) and remains fairly close to that peak until age 34. In contrast, the rate for women is highest at age 27 (9%) and then trails off. This suggests that, compared with the past, more young men have developed a bachelor lifestyle that lasts well into their thirties.

More women but fewer men make a transition to full-year full-time work

Compared with their counterparts in 1971, young men are less likely to be working full-time full-year while young women aged 24 and older are more likely to do so (Chart 5). This pattern clearly indicates that women today tend to stay in the labour market even after transitions such as having children.

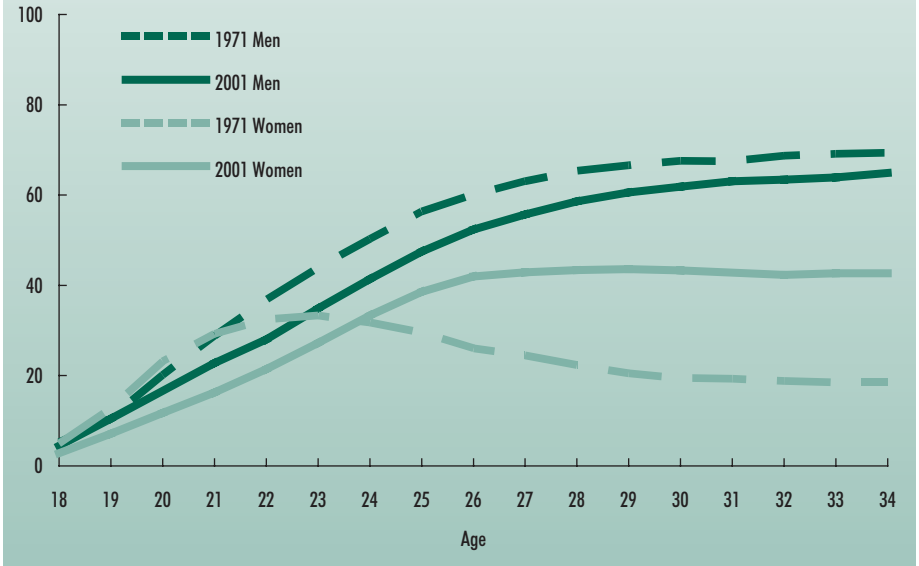
Back in 1971, few mothers of pre-school children had full-year full-time work (9%), but by 2001, this proportion had tripled to 27%. Likewise mothers with older children also experienced increases in full-year full-time employment.[7] On the other hand, women without children reported little change over the period, with about one-third holding full-year full-time work in both years.

Chart 4 Young adults left home at a younger age in 1971 than in 2001



Source: Statistics Canada, Censuses of Population.

Chart 5 Young women are much more likely to have full-year full-time work now



Source: Statistics Canada, Censuses of Population.

Conjugal unions delayed

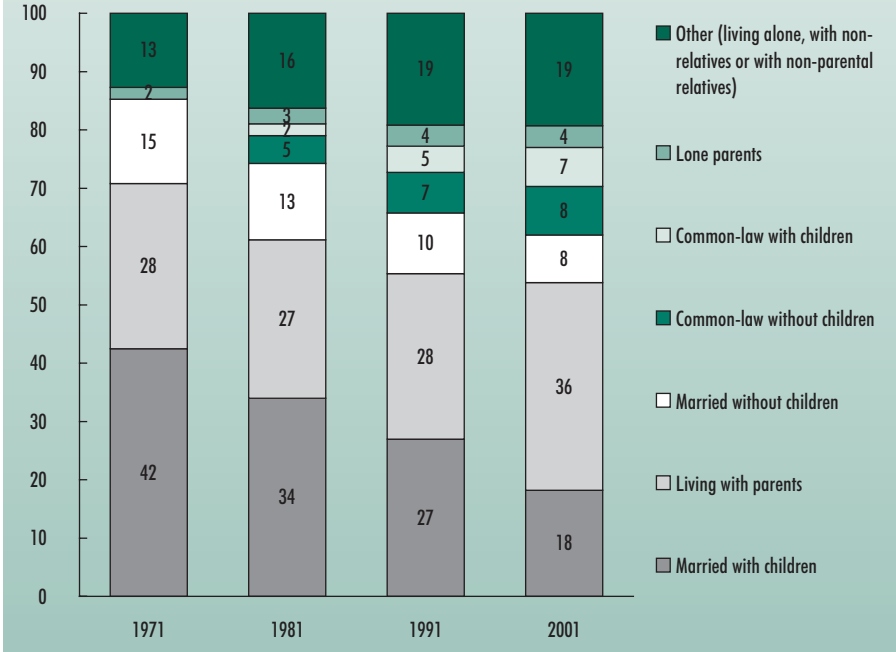
Dramatic changes have occurred in the living arrangements of young adults over the last 30 years. First, getting married and having children has become less common (Chart 6). Second, cohabitation and having children within a common-law union have become more popular, suggesting that for some, cohabitation may be a substitute marriage-like relationship where two partners share parenting, household chores, and resources. The third key trend is the increased popularity of remaining in the parental home (discussed earlier) and possibly leaving and returning to it several times.

The age at which people first marry has been edging up for both brides and grooms since the mid-1960s.[8] Just as they have taken longer to leave school, leave home and find permanent jobs, today's young adults have delayed entering into married or common-law relationships (Chart 7). In 1971, 65% of men and 80% of women were in or had been in a conjugal relationship by age 25; by 2001, these percentages had dropped by almost half to 34% and 49%, respectively.

Although the paths to adulthood have become more diverse over the last generation, the most common trajectory still seems to be from school completion, to work, to home-leaving and then to marriage or cohabitation.[9] With rising educational attainment extending the time needed to complete this first hurdle, it is not surprising that the formation of conjugal unions is delayed.

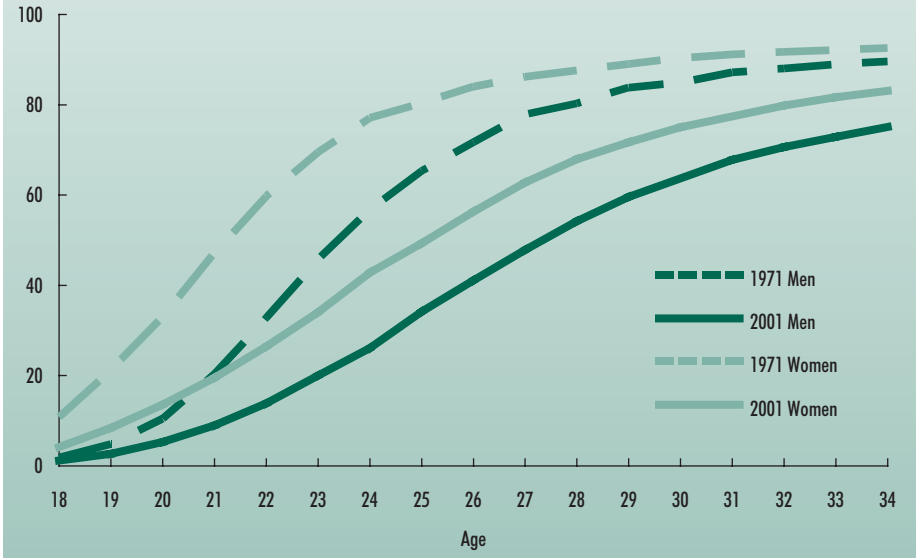
Census data show that young adults who leave school earlier are more likely to have a conjugal relationship at a younger age. In 2001, nearly half (49%) of 25-year-olds without a high school diploma had married or entered a common-law union compared with 32% of their university-educated peers. But even for people with similar levels of education, young adults today are less likely to be in a couple than they were over 30 years ago.

Chart 6 Living arrangements of young adults have changed considerably



Note: Common-law unions were not identified in the 1971 Census.
Source: Statistics Canada, Censuses of Population.

Chart 7 Conjugal unions are delayed for both women and men



Source: Statistics Canada, Censuses of Population.

More often than not, first unions are now cohabitations rather than marriages. According to the 2001 General Social Survey, in 2001, 63% of women aged 20 to 29 in their first union lived common-law.[10] Data from the Census show that common-law unions were most likely among young adults in their mid-20s (about 20%), but by age 34 only about 16% were cohabiting. The lower proportion of cohabitors in their early 30s may be because some people previously living together are now married or, given the greater instability of common-law relationships, more couples have separated.[11]

Most young adults now postpone parenthood

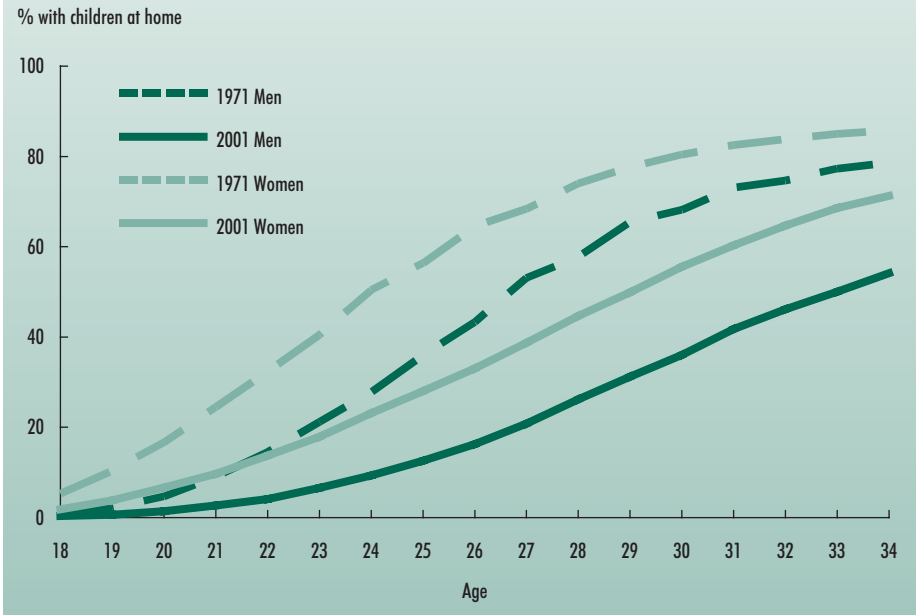
While the overall fertility rates in Canada for women under age 30 have dropped since the early 1970s, rates for women in their 30s have increased.[12] This delayed fertility is generally linked to women's increased education and labour force participation. Research has shown that women with high social status are more likely to complete their postsecondary education before motherhood, whereas women with lower social status tend to become mothers at younger ages and bypass postsecondary education, regular work and marriage.[13] The pursuit of higher education, career aspirations and the elusiveness of work-life balance may inhibit many women today from having children at the same age that their mothers did. (Chart 8).

However, although marrying and having children later allows many young people to pursue post-secondary education and to gain employment experience and security in a highly competitive labour market,[14] even those who have not gone beyond high school graduation have delayed childrearing.

Why are transitions delayed?

Many social and economic factors have contributed to the delay in transitions to adulthood. Young adults

Chart 8 Today's young adults are less likely to have children



Source: Statistics Canada, Censuses of Population.

today have a big incentive to continue their schooling beyond secondary completion for economic reasons. People with university degrees have significantly higher earnings and considerably lower unemployment rates than high school graduates. For example, since 1990, the number of jobs requiring a degree has doubled, while the number demanding high school education or less has shrunk.[15] Today, prolonged schooling is necessary to gain the skills and education needed in a technical and information-based economy.

But another important reason is that young people are increasingly expected to continue their schooling. For instance, 95% of parents with children under age 19 believe that education after high school is important or very important.[16] And over two-thirds of 15-year-olds intend to go on to university after completing their secondary studies, with many (39%) aspiring to more than one degree.[17]

Of course, a delayed exit from school has an impact on other transitions to adulthood. Although higher education enhances the chances of marriage, school enrolment impedes the first union formation, since most young people wait until they have finished university or college before they start thinking about marriage and parenthood. Tuition fees have been increasing more quickly than inflation since the early 1990s[18] and the amount students owe to government student loan programs has also been escalating.[19] The high cost of post-secondary education in many cases involves their continued reliance on their parents, so that young adults may not feel that they are sufficiently ready for marriage.[20]

Studies of labour market conditions of younger men in Canada show that their earnings have declined while the education premium that they had over their older counterparts has disappeared.[21] However, the decline in full-year full-time work for young men may equally reflect lower job quality as young men report having less pension plan coverage, lower unionization rates and increased earnings instability while pension coverage for young women has improved slightly.[22,23]

Today's young people face a labour market that earlier cohorts did not have to contend with: an increasing wage gap between newly hired employees and those with more experience; more temporary jobs for newly hired workers; and fewer male employees covered by registered pension plans, meaning that new hires are entirely responsible for saving for their own retirement without the backup of an employer sponsored pension plan.[24]

Instability in employment is reflected in the much faster growth in part-time employment. The shift from full-time lifetime employment that many young adults entered 30 years ago to a work environment offering more part-time work with fewer benefits has contributed to insecurity, especially among young men, and is a contributing factor to delays in family formation.[25] Other researchers have found that union formation increasingly requires the earning power of both partners, so the labour market problems experienced by young men may reduce or delay the formation of unions.[26]

In addition, housing prices have risen more quickly than the income of young men and despite declines in mortgage interest rates, young men would still have to spend more of their income on mortgage payments in 2001 than they did in 1971.[27] This reinforces the increased need for two incomes in order to own a home, adding to the economic insecurity young adults may feel.

Many young adults continue to live with their parents not just because of the financial burden of paying for their postsecondary education, but also because they may be unemployed or working in a low-paying precarious job. On the other hand, cultural factors may

encourage continued co-residence with parents as generation gaps narrow and parents have developed more egalitarian relationships with their children.[28]

While the labour market has changed and the duration and cost of postsecondary education have increased, other social factors have also contributed to delayed transitions. Gender roles within marriage changed. As women became more educated, their earnings increased and they began to rely on their own earning capacity and less on their partner's to determine whether they should remain in the labour market after marrying and having children. In fact, with higher earnings, the care of children presented high opportunity costs to families, providing large incentives for women to return to the labour market after childbirth; consequently, women have seen strong increases in full-year full-time employment as their educational attainment rose. Back in 1971, women commonly entered the labour market after high school while remaining in their parents' home until a suitable marriage partner was found. By their mid-20s, many had married, had children and left the labour market to care for them.

Summary

In 1971, three-quarters of 22-year-olds had left school, nearly half were married and one in four had children. In contrast, in 2001, half of 22-year-olds were still in school, only one in five was in a conjugal union (usually common-law), and one in eleven had children. In 2001, young women led men in educational attainment and many more women had full-year full-time jobs than young women 30 years earlier.

Overall, the transition to adulthood is now delayed and elongated. It takes today's young adults longer to achieve their independence: they are leaving school later, staying longer in their parents' home, entering the labour market later, and postponing conjugal unions and childbearing.

Most 18- to 34-year-olds have passed through fewer adult transitions than people of the same age 30 years earlier. By age 34, however, today's women have made just as many transitions as 34-year-old women in 1971, although they are more likely to include full-year full-time work and less likely to include marriage and childbearing.

In contrast, men at age 34 have made fewer transitions than 30 years ago. This may be in part due to the economic changes that have made the labour market more dynamic. As a consequence, young men are less likely to have full-year full-time work than their fathers did 30 years earlier. Both men and women have upgraded their level of education in an effort to take advantage of the premium that university graduates enjoy in the labour market and this, by itself, has delayed other transitions to adulthood.

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2. Duchesne, D., F. Nault, H. Gilmour, R. Wilkins. 1999. *Vital Statistics Compendium 1996*, Statistics Canada, Catalogue No. 84-214, p.28.
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Young people's access to home ownership

by Martin Turcotte

Home ownership is very important to the vast majority of Canadians. More than two-thirds of married couples are homeowners and among those who are renters, a great many would like to own property. Young adults are no different from the general population in this respect, although they are much less likely to be homeowners themselves.

It is easy to understand why young adults are less likely than their elders to own their own home: they have more limited financial resources, their labour market situation is less stable and they may not yet be in an established relationship. Some are simply not ready or interested in becoming homeowners. But despite all that, in 2006, owning their own home was very important to 76% of young adults aged 25 to 39 who no longer lived with their parents.

To what extent do young adults succeed in making this desire a reality? What are the characteristics of those young people who own their home, and what are the obstacles to home ownership? Using data from the 2006 General Social Survey on family transitions, this article answers these questions by identifying the different factors associated with home ownership among young people aged 25 to 39 who no longer live with their parents (hereafter called "people" or simply "young adults").

CST What you need to know about this study

This study is based on data from the 2006 General Social Survey (GSS) on family transitions. This survey collected information from 23,600 Canadians, 5,256 of whom were between the ages of 25 and 39 and did not live with their parents. It is this group, representing 5.9 million young adults, that forms the study population. For comparison purposes, the home ownership rates for the entire young adult population are included in Table 1, but they are not discussed in the text. Younger persons aged 18 to 24 were excluded from the study because very few of them own their own home (and because many still live with their parents). (See Table A.1 for the characteristics of the young adults in this study.)

In the 2006 GSS, respondents were asked to declare whether or not the home in which they were living was the property of a household member; if yes, they were asked if they themselves were the homeowner. In this article, the characteristics of these young homeowners are compared to non-homeowning young adults. It should be noted that this study does not take into account the quality of the homes that young adults own; this fact must be kept in mind when interpreting the results.

This is the first time that Statistics Canada has collected information on home ownership at the individual level within the framework of the GSS. This type of data has been, and will continue to be, collected by the Census and other surveys at the household level.

The statistical analysis model

The statistical analysis uses odds ratios to identify various characteristics associated with the likelihood that a young adult aged 25 to 39 will own their own home. The results indicate whether there is a statistically significant relationship between the various characteristics included in the model, while holding the effects of the other variables constant. The variables included in the statistical model are household income, educational attainment, main activity in the past 12 months, lived with both parents until at least age 15, place of residence, time since immigration, living arrangements, age group and sex.

Young adults who are homeowners

Home ownership among young adults is of particular interest in the current economic and social climate. Indeed, the last few years have been marked by several factors that may have had negative effects on home ownership: rising housing prices (particularly in large urban centers), prolonged duration of formal education, and delays in various transitions to adulthood such as marriage or cohabitation.

On the other hand, several factors that may have facilitated buying a home have also materialized in the last few years: relatively low mortgage rates (despite their slight increase in the last two years), a strong labour market, and an unemployment rate at its lowest level in 30 years.

In addition to these positive market factors are the government programs designed to make it easier for young families to purchase their first home, such as sales tax rebates for new homes, access to mortgage loans for up to 100% of the value of the home, loans and subsidies for first-time buyers and young families, and so on.

It is difficult to quantify the extent to which these elements have influenced the likelihood of home ownership among young adults. However, it is possible to provide information about different subgroups of the population who were the most and least likely to be homeowners in 2006.

First of all, and perhaps not very surprisingly, home ownership rates increase with age (Table 1). While only 38% of young people between the ages of 25 and 27 owned their own homes in 2006, 63% of 31- to 33-year-olds and 73% of 37- to 39-year-olds did. These gaps are even greater if young adults living with their parents are included.[1]

It is hardly shocking that household income also has a major impact on a person's chances of owning his or her own home. Only 22% of young adults reporting a household income of less than $30,000 per year were homeowners; meanwhile, 68% of those with $50,000 to $80,000, and 82% of those with $100,000 or more were homeowners.

Finally, living arrangements and marital status are strongly associated with ownership. In 2006, 79% of young adults who were married and had children owned their own home. In comparison, this proportion was only 40% among individuals living alone and 33% among single parents.

Income: a major determining factor

Obviously, several of these factors are strongly correlated. For example, young adults who are older are more likely to live with a spouse and children, have higher income and generally have completed their studies. In order to separate the effect that these different factors have, a logistic regression analysis was conducted. This allows the estimation of the probability or chance of home ownership for a person with a given characteristic – for example, a married person compared to a single parent while holding other factors constant that also affect home ownership (see "What you should know about this study" for details).

The statistical model shows that household income is one of the factors, if not *the* factor, with the greatest impact on the probability of owning a home. Holding the other factors constant, the odds of being a homeowner were 1.7 times higher for young adults with household income over $100,000 than for those with income between $50,000 and $80,000. This association is hardly surprising and matches the results of numerous earlier studies.[2] Quite obviously, insufficient income represents the major obstacle to home ownership (Table 2).

This obstacle can become even more difficult to overcome if the future income stream is not assured. Young people with a higher level of education can generally anticipate having a higher income and greater financial stability over the coming years. These factors certainly play an important role in the decision to purchase a home because home ownership has significant financial repercussions that last for many years.

The links between education, income stability and home ownership are indirectly confirmed in the statistical model, which shows that people who had not completed secondary education had 40% lower odds of owning their own home compared to those who had received a university degree. People whose highest level of education was a secondary school diploma were themselves slightly less likely to own their own home when income, household situation and other factors remained constant.

This result linking education level with home ownership takes on special meaning given the increase in the educational homogamy of couples, that is, the increased tendency for both spouses to have a similar or identical level of education.[3] If there is increasing income inequality between highly educated and less educated couples,[4] it is also possible that there is growing inequality in their chances of owning their own home.

Temporary employment: an obstacle to home ownership

For several years, there has been much discussion about the increase in temporary employment.[5] Many of these newly hired workers are young adults and it is possible that home ownership is more difficult for some of them. People who have temporary or seasonal jobs are often at higher risk of having an income that fluctuates from one year to the next. And indeed, banks evaluate access to mortgage financing according to a borrower's current and future income stability.

The GSS data show that young people who had a seasonal job or a job with a set end date, as well as casual or temporary employees,

Table 1 Financial stability and being married with children are associated with home ownership among young adults

	Percentage of young homeowners	
	Not living with parents	Total (includes still living with parents)
Total	**60**	**54**
Women	60	56
Men	*60*	*52*
Age group		
25 to 27 years	*38*	*26*
28 to 30 years	52*	47*
31 to 33 years	63*	59*
34 to 36 years	68*	66*
37 to 39 years	73*	71*
Household living arrangements		
Married without children	63*	...
Common-law union without children	49*	...
Married with children	*79*	...
Common-law union with children	63*	...
Lone parent	33*	...
Alone	40*	...
Other	21*	...
Main activity during the previous 12 months		
Permanent employment	*65*	*58*
Self-employed	70	67*
Temporary employment	42*	36*
Looking for work	24*	18*
Student	20*	16*
Caring for children/keeping house	63	62
Other activity	51*	41*
Household income		
Less than $30,000	22*	...
$30,000 to $49,999	44*	...
$50,000 to $79,999	*68*	...
$80,000 to $99,999	80*	...
$100,000 or more	82*	...
Highest level of educational attainment		
Less than high school	*48*	*41*
High school diploma	56*	50*
College or trade diploma	64*	58*
University degree	62*	56*
Place of residence[1]		
Toronto CMA	53*	44*
Montréal CMA	48*	44*
Vancouver CMA	54*	50*
Ottawa-Gatineau CMA	63	56*
Calgary CMA	65	63
Edmonton CMA	60*	57
CMA with population 250,000 to 750,000	60*	53*
CMA or CA with population 100,000 to 250,000	63*	59*
CA with population 10,000 to 100,000	65*	59*
Rural areas and small towns	*71*	*65*
Always lived with both parents until age 15		
No	*52*	*48*
Yes	63*	55*
Time since immigration		
Less than 4 years	20*	19*
5 to 9 years	48*	45*
10 to 24 years	59	49*
25 to 39 years	70	64
Born in Canada	*64*	*57*

... not applicable

1. CMA = Census Metropolitan Area; CA = Census Agglomeration.

* Significant differences from reference group in italics at $p < 0.05$.

Source: Statistics Canada, General Social Survey, 2006.

were markedly less likely to own their own home (42%) than those with a permanent job (65%) (Table 1). Even when the effect of income and other factors are held constant, young people with temporary jobs had 40% lower odds of owning their own home than people with permanent employment[6] (Table 2). Please note however that despite the increase in non-permanent jobs in the last several years, young adults with temporary jobs remain a very small minority among the employed young adult population (Table A.1).

Living with both parents until age of 15 makes a difference

The odds of home ownership were 1.4 times higher for young people who had lived with both their parents until the age of 15, compared to those people who did not. Although it is difficult to provide the exact explanation for this difference, we can imagine that young adults from more stable families may have had access to more resources, particularly financial resources, when buying their home. For example, parents may have acted as guarantors for their child's mortgage loan or have given their child monetary gifts or

Table 2 Home ownership is more probable among young adults over age 33, with household incomes over $80,000 and among those living in rural areas and small towns

	Odds ratios
Household income	
Less than $30,000	0.2*
$30,000 to $49,999	0.4*
$50,000 to $79,999	*1.0*
$80,000 to $99,999	1.6*
$100,000 or more	1.7*
Highest level of educational attainment	
Less than high school	0.6*
High school diploma	0.8*
College or trade diploma	1.1
University degree	*1.0*
Main activity during the previous 12 months	
Permanent employment	*1.0*
Self-employed	1.5*
Temporary employment	0.6*
Looking for work	0.3*
Student	0.4*
Caring for children/keeping house	0.7*
Other activity	0.6
Always lived with both parents until age 15	
No	*1.0*
Yes	1.4*
Place of residence[1]	
Toronto CMA	0.4*
Montréal CMA	0.4*
Vancouver CMA	0.5*
Ottawa-Gatineau CMA	0.5*
Calgary CMA	0.9
Edmonton CMA	0.6
Place of residence[1] — continued	
CMA with population 250,000 to 750,000	0.6*
CMA or CA with population 100,000 to 250,000	0.7
CA with population 10,000 to 100,000	0.9
Rural areas and small towns	*1.0*
Time since immigration	
4 years or less	0.2*
5 to 9 years	0.5*
10 to 24 years	0.8
25 to 39 years	0.8
Born in Canada	*1.0*
Household living arrangements	
Married without children	0.4*
Common-law union without children	0.2*
Married with children	*1.0*
Common-law union with children	0.4*
Lone parent	0.2*
Alone	0.2*
Other	0.1*
Age group	
25 to 27 years	*1.0*
28 to 30 years	1.2
31 to 33 years	1.6*
34 to 36 years	2.1*
37 to 39 years	2.2*
Sex	
Women	*1.0*
Men	0.9

1. CMA = Census Metropolitan Area; CA = Census Agglomeration.
* Statistically signficant difference from the reference group shown in italics ($p < 0.05$).
Source: Statistics Canada, General Social Survey, 2006.

interest-free loans to help with the down payment. It is also possible that parents who stayed together were themselves homeowners and that this was less common among parents who separated. For example, a Dutch study has shown that having homeowning parents was a positive influence on the probability that young couples would also become homeowners themselves.[7]

Young rural residents are more likely to be homeowners

Place of residence is also associated with the rate of home ownership among young people who no longer live with their parents. In 2006, about 71% of people between the ages of 25 and 39 who lived in a rural area or in a small town owned their own home. By comparison, this was the case for 53% of young people living in Toronto, 48% of those living in Montreal and 54% of those living in Vancouver[8] (all references to the census metropolitan area, or CMA).

Even when the other factors in the statistical model are held constant, the odds of being a homeowner are only half as high for young adults in Canada's three largest CMAs as they are for young adults in rural settings and smaller urban areas (Table 2). These gaps in home ownership can be explained largely by housing costs,

CST Other results

Young adults who have previously owned a home

This study compares the characteristics of young adults who own their own home to those who do not. However, 15% of people aged 25 to 39 not living with their parents and who were not homeowners at the time of the study had, in fact, been homeowners at least once before. These young adults were on average slightly older than those who had never owned a home (34 versus 31 years old). Apart from their age, the socio-economic characteristics of these former homeowners were fairly similar to those of young adults who had never owned a home.

Being a young co-owner

People can become homeowners in many different ways: by themselves, with a spouse, with a family member or with friends. However, the vast majority of young adults opt for the first two choices. In 2006, 22% of young adults who owned their own home had decided to buy their home alone, while 76% had become homeowners with their spouse or common-law partner. A very small number – around 2% – had become homeowners with their parents, parents-in-law, other family members or friends.

which are much higher in big cities. The scarcity of rental housing in more rural settings and small cities may also explain the higher rates of home ownership found in those areas.

The case of young adults in Calgary is worth noting because it is an exception. These young people are just as likely to be homeowners as those living in more rural settings, even when the other factors in the statistical model are taken into account.[9]

Having a low income and living in a large CMA

If people living in CMAs are generally less likely to own their own home than those living in smaller communities, this is even more true for young adults earning low incomes. For example, 40% of young adults who had households incomes under $30,000 per year but who lived in rural settings were homeowners, compared with only 16% of their counterparts living in one of Canada's six largest CMAs. Households with lower income, in addition to being unable to own a home, often face a particularly difficult situation in the rental market as well. They must devote a large percentage of their income to housing and their living conditions are often inadequate.[10]

Even for those young people with the highest household incomes ($80,000 or more a year), there is a difference, although it is not as great: 78% of these big city dwellers were homeowners versus 85% of those living in rural environments. Above certain income levels, of course, buying a home can first and foremost become a question of choice and preference, no matter where the person lives. The fact remains, though, that the lower housing prices in smaller towns favour more egalitarian access to home ownership.

Few recent immigrants own their own home

According to the 2001 Census, a household in which the main wage-earner is an immigrant is much less likely to own a home than one whose main wage-earner is Canadian-born.[11] This is an important change since 1981, when the exact opposite was observed.[12]

The data from the 2006 GSS clearly show that the number of years spent in Canada since immigration is associated with the probability of being a homeowner. Almost two-thirds (64%) of young adults born in Canada and no longer living with their parents were homeowners. But this was true of less than half (48%) of their counterparts who had immigrated five to nine years earlier, and of only 20% of immigrants who had come in the preceding 5 years. These differences remain significant when the effect of all the other factors in the statistical model are taken into account.

Other factors unique to recent immigrants to Canada, such as their country of origin and having a home in the central neighbourhoods of big cities rather than the suburbs, can affect ownership rates. However, examining these factors is beyond the scope of the present study.

Married people are more likely to be homeowners than common-law couples

Financial situation and economic barriers are not the only factors linked to home ownership among young adults. The different stages of family life, and of the life cycle in general, are also associated with varying rates of home ownership. People in relationships are much more likely to own their own home than those who live alone. For example, young married couples with children have five times higher odds of being homeowners than people living alone (when all the other factors, including income, are held constant).

An interesting distinction appears between married couples and those who are cohabiting. While 79% of young married adults with children owned their own home, this was the case for only 63% of young adults who also had children but were cohabiting. This difference remains statistically significant in the statistical model when the other factors that could differentiate these families are taken into account.

The first factor that explains this difference in home ownership rates is the fact that marriage implies that a home owned by one spouse automatically becomes the property of both spouses after marriage, which is not necessarily the case when a couple lives together. However, other elements may also play a role. Common-law relationships are generally less stable than marriages[13] and it is possible that some people wait until they are married before buying a home. It is also possible that people who choose cohabitation over marriage have different tastes and preferences than married couples in a variety of areas, including housing.

Being older has an effect independent of all other characteristics

The correlation between age and the probability of being a homeowner is very strong. Even when all the other factors that influence home ownership are held constant, the effect of age remains statistically significant. For example, the odds that 37- to 39-year-olds would own their own home are 2.2 times higher than those for 25- to 27-year-olds.

This result suggests that beyond the effects that different life events and different statuses have on home ownership – such as finishing one's education, getting married, increasing salary – young adults only become ready or interested in buying a home at a certain stage, perhaps when they have decided to establish themselves more permanently in one location.[14]

Summary

Whether it is because buying a home is seen as a good investment, a form of forced savings or as a source of satisfaction in being truly "at home," becoming a homeowner is important for the vast majority of young adults. Along with leaving the parental home, getting married or cohabiting, finding a "real" job and welcoming the birth of a first child, buying a home constitutes one of the main transitions to adult life. This study identified the factors associated with having a larger or smaller probability of home ownership among young adults aged 25 to 39 who no longer live with their parents.

A young person's primary activity in the labour market, their number of years spent in Canada, their age and their place of residence are the four characteristics that have the greatest effect on the probability of home ownership. Young adults born in Canada who have held a permanent job in the last 12 months and who live in a rural environment were the most likely to own their own home.

On the other hand, recent immigrants living in a CMA like Toronto, Montréal and Vancouver were much less likely to own their own home. If these young adults, in addition to having these characteristics, did not have a stable job and were younger, their probability of being homeowners was almost non-existent.

Despite the effect that individual factors can have, it is the household characteristics that matter most to a person's chances of being a homeowner. Young adults were the most likely to own their own home if they were married and had children, as well as if they had the highest household incomes.

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1. Given the impact that household income and household situation have on home ownership, it would have been very difficult to thoroughly analyze all the statistical associations if young people who are still living with their parents were included in the analysis. Not surprisingly, home ownership rates are necessarily higher when only people who no longer live with their parents are included.
2. Lefebvre, S. 2002 "Housing: A Question of Income." *Perspectives on Labour and Income*. Statistics Canada, Catalogue no. 75-001, Vol. 14, No. 3; CMHC. 2006. *Canadian Housing Observer 2006*.
3. Hou, Feng and John Myles. 2007. "The Evolution of the Role of Education in Choosing a Spouse: Educational Homogamy in Canada and the United States since the 1970s." *Analytical Studies Branch Research Paper Series*. Statistics Canada, Catalogue no. 11F0019, no. 299.
4. Morissette, René and Anick Johnson. 2004. "The Wages of Less Educated and Highly Educated Couples on the Canadian Labour Market, 1980 to 2000." *Analytical Studies Branch Research Paper Series*. Statistics Canada, Catalogue no. 11F0019, no. 230.
5. A recent study by Statistics Canada also demonstrated that "the number of temporary jobs is clearly on the rise among newly hired employees." In this study, we showed that the proportion of temporary jobs among newly hired workers went from 11% in 1989 to 21% in 2004. For more information, see: Morissette, René and Anick Johnson. 2005. "Are Good Jobs Disappearing in Canada. *Analytical Studies Branch Research Paper Series*. Statistics Canada, Catalogue no. 11F0019, no. 239.
6. When personal income rather than household income was used in the analysis, the difference was similar and was also statistically significant.
7. Mulder, Clara H. and Jeroen Smits. 1999. "First-Time Home-Ownership of Couples – The Effect of Inter-Generational Transmission" *European Sociological Review*. Vol. 15, No. 3, pp. 323-337.
8. However, young people who live in big cities are also more likely to continue living with their parents longer. Consequently, the differences between young adults living in big cities and those living in more rural settings, from a home ownership standpoint, are even greater when all young people are included in the analysis, whether they live with their parents or not.

9. This gap cannot be explained by the fact that the proportion of young adults who live with their parents is higher in large urban areas. When all young adults are considered in the analysis, whether they live with their parents or not, Calgary residents are just as likely to own their own home as those who live in rural areas.

10. CMHC. 2004. "2001 Census Housing Series Issue 4 Revised: Canada's Metropolitan Areas." *Research Highlight/ Socio-economic Series,* 04-008.

11. CMHC. 2004. "2001 Census Housing Series. Issue 7 Revised: Immigrant Households." *Research Highlight/Socio-economic Series*, 04-042.

12. Haan, Michael. 2005. "The decline of the immigrant home ownership advantage: Life-cycle, declining fortunes and changing housing careers in Montreal, Toronto and Vancouver, 1981-2001." *Analytical Studies Research Paper Series*. Statistics Canada, Catalogue no. 11F0019, no. 238.

13. Statistics Canada. 2002. *The Diversification of Married Life in Canada*, Catalogue no. 89-576-XIF.

14. It is also possible that other factors also associated with the aging of young adults were not taken into account in the analysis, or were not accurately captured by the variables that were included. It cannot be assumed that young adults who are 18 today will have the same behaviour when they are 39 as those who are 39 today.

CST Table A.1 Distribution of young adults aged 25 to 39 no longer living with their parents, by selected socio-economic characteristics, 2006

	% of young adults
Total	100
Women	52
Men	48
Age group	
25 to 27 years	15
28 to 30 years	20
31 to 33 years	20
34 to 36 years	22
37 to 39 years	23
Household living arrangements	
Married without children	12
Common-law union without children	9
Married with children	42
Common-law union with children	11
Lone parent	6
Alone	10
Other	11
Main activity during the previous 12 months	
Permanent employment	62
Self-employed	9
Temporary employment	6
Looking for work	2
Student	5
Caring for children/keeping house	14
Other activity	2
Household income	
Less than $30,000	11
$30,000 to $49,999	16
$50,000 to $79,999	26
$80,000 to $99,999	13
$100,000 or more	20
Highest level of educational attainment	
Less than high school	7
High school diploma	25
College or trade diploma	33
University degree	34
Place of residence[1]	
Toronto CMA	17
Montréal CMA	12
Vancouver CMA	7
Ottawa-Gatineau CMA	4
Calgary CMA	4
Edmonton CMA	4
CMA with population 250,000 to 750,000	15
CMA or CA with population 100,000 to 250,000	9
CA with population 10,000 to 100,000	12
Rural areas and small towns	17
Always lived with both parents until age 15	
No	22
Yes	78
Time since immigration	
Less than 4 years	6
5 to 9 years	5
10 to 24 years	7
25 to 39 years	4
Born in Canada	79

1. CMA = Census Metropolitan Area; CA = Census Agglomeration.

Source: Statistics Canada, General Social Survey, 2006.

Staying at home longer to become homeowners?

by Martin Turcotte

It is no longer news that young adults, on average, remain at home longer and are more likely to return after leaving. Demographers and sociologists have presented various explanations for these two trends, including the prolonged period of formal education and the accumulation of debt, the temporary nature of the jobs often held by young people, delayed formation of couples, changes in values and preferences, and so on.

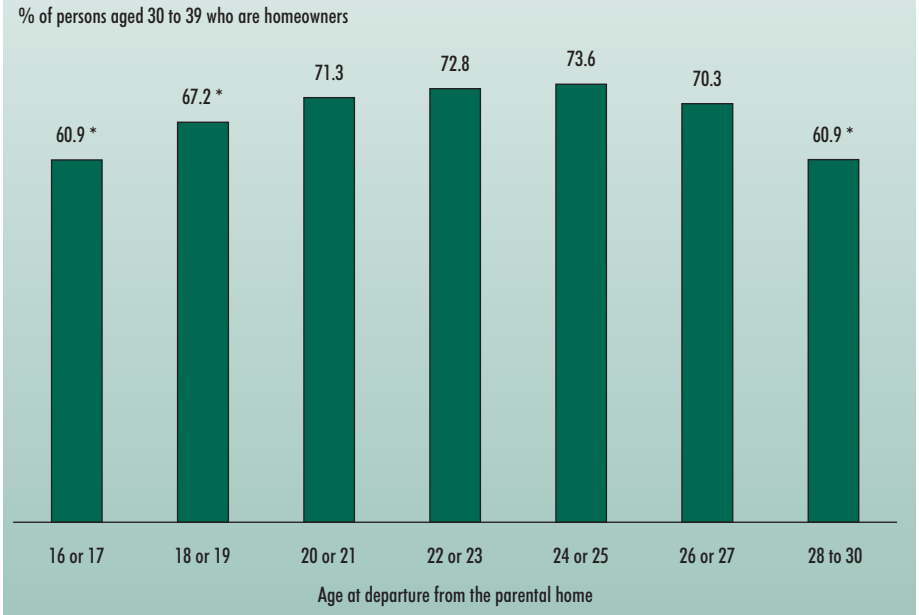
More recently, the media and the popular press[1] have suggested another explanation: many young adults are living with their parents longer (or returning after their initial departure) in order to save so they can purchase their own home when they eventually leave their parents' home. Staying with their parents longer, or returning to the nest after a first departure, is thus a strategy for accessing home ownership more easily.

How closely do these theories reflect reality? Are young people who stay in the family home longer really more likely to purchase a home? And what about "boomerang kids" – those who return to live with their parents after initially leaving? Using data from the 2006 General Social Survey (GSS) on family transitions, this article examines whether there is a link between the age at which young people leave the family home, and the likelihood that they become homeowners in their 30s. To do so, it will consider various factors highlighted in past research as influences on access to home ownership.

The age of leaving home and home ownership

The likelihood of becoming a homeowner increases in relation to the age at which the person left home, but only to a certain point (Chart 1). In fact, for those who left home after the age of 25, the likelihood of becoming a homeowner in their 30s seems to decrease. The two groups that stand out most clearly, having the lowest rate of home ownership, are those who left the family home very early (at age 16 or 17) and those who left later (at age 28 to 30).

CST Chart 1 The percentage of people who own their homes increases with age at departure from the parental home until about age 25



* Statistically significant difference compared with departure age of 24 or 25 years ($p<0.05$).
Source: Statistics Canada, General Social Survey, 2006.

CST What you need to know about this study

This study is based on data from the 2006 General Social Survey (GSS) on family transitions. Only persons aged 30 to 39 who were not living with their parents at the time of the survey, and who had left the family home between the ages of 16 and 30, are considered. For those who had left the family home more than once before the age of 30, the date of the *last* departure was chosen as the date of departure. The study population represents 90% of all younger adults aged 30 to 39 who were no longer living with their parents.

People who left their parents' home before the age of 16 are excluded because their situation and life course is very different from that of the majority of young people. Please see "Leaving home before age 16" for more information about this group of younger adults.

The statistical analysis model

The statistical analysis uses odds ratios to identify various characteristics associated with the likelihood that a young adult aged 30 to 39 will own their own home. The results indicate whether there is a statistically significant relationship between the various characteristics included in the model, while holding the effects of the other variables constant. The variables included in the statistical model are age at time of departure, reasons for returning to the parental home (if so), household income, educational attainment, main activity in the past 12 months, having lived with both parents until at least age 15, place of residence, time since immigration, living arrangements and sex.

This conclusion remains exactly the same even after using a statistical model to hold constant the various factors associated with the probability of being a homeowner, such as household living arrangements, income and so on[2] (Table A.1). There is a positive relationship between leaving the family home at a later age and home ownership. However, contrary to the idea that a person's chances of being a homeowner increase the longer they remain in the parental home, the likelihood of home ownership increases only to a certain point.[3] After the age of departure reaches about 25, the predicted probability of home ownership changes direction and begins to fall, although only slightly. (Chart 2).

Based on these results, it appears that the age of departure from the family home, although far from being the most significant factor, can make a difference in terms of access to home ownership. This is especially true for early departures, which are associated with a lower rate of home ownership. For later departures – that is, those that occur after the mid-20s – it seems that other factors such as income, marital status, and so on take the lead. In short, these results partially confirm the idea that leaving the family home at a later age increases the possibility of subsequently becoming a homeowner.

Boomerang kids and home ownership

According to a recent survey, a large number of young adults return to live with their parents because they want to save for their first house.[4] If that is the case, one would expect that boomerang kids now living on their own should be more likely to own their own homes than those who left home only once. However, that's not how it works.

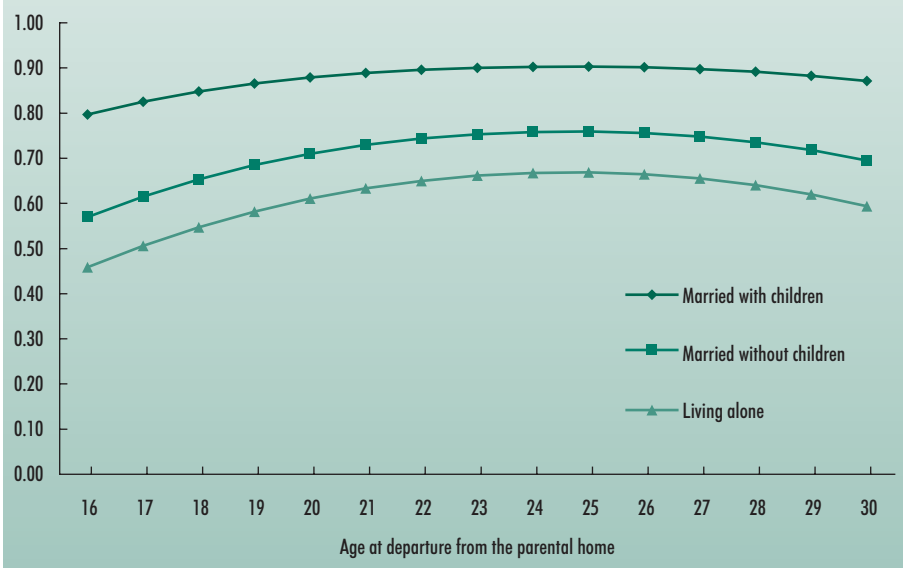
In fact, the proportion of boomerang kids aged 30 to 39 who owned their own home (68%) was not statistically different than that for those who had left the parental home only once. Furthermore, the statistical model shows that, when other factors are held constant, the odds of boomerang kids being homeowners were less than those in their 30s who had left the family home and never returned (Table A.1).[5]

There are several reasons why young adults may return to live with their parents after initially leaving. These may include divorce, loss of employment or temporary financial problems. To adequately understand the relationship between being a boomerang kid and the likelihood of being a homeowner, the reasons behind a young adult's return to the family home must be included in the analysis.

Boomerang kids are not all equal in terms of access to home ownership. Those who returned to live with their parents because of loss of employment or for financial reasons were much less likely to be homeowners in their 30s than those who never returned.

However, holding the effect of the other factors constant, persons who "boomeranged" because a relationship ended or because they finished their studies were no less likely to become homeowners than those who never returned to live with their parents.[6]

Chart 2 No matter what their age at departure, the predicted probability of being a homeowner is highest for married persons with children[3]



Source: Statistics Canada, General Social Survey, 2006.

Summary

This study has uncovered a positive association between the age at which young adults leave the family home and the likelihood of them becoming homeowners in their 30s. However, this finding is true only until a person reaches their mid-20s. Beyond about age 25, the later their departure, the lower their probability of being a homeowner in their 30s.

Furthermore, it seems that boomerang kids who return to live with their parents after initially leaving, are less likely to be homeowners in their 30s than those who left the family home only once. This is especially the case among persons who came back to live with their parents because they lost their jobs or were having financial problems.

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Leaving home before age 16

Few people aged 30 to 39 (less than 3%) had left the family home before the age of 16, according to the 2006 GSS. Nevertheless, they are the least likely to be homeowners, at only 54% compared with 74% of those who had left home at age 24 or 25. For several reasons, establishing a potential relationship between the age at departure and the likelihood of becoming a homeowner did not seem to be the right approach in this case.

First, a relatively high proportion of individuals in this group (40%) had left the family home because of the death or hospitalization of one or both parents compared with 20% of those who left at age 18 or 19 and less than 8% of those who left after age 19. These young adults may have suffered a multitude of repercussions and stress in their lives: adjustment to life in a new family, trauma caused by the loss of parents, and so on. Among other things, it was probably more difficult for them to obtain the support that parents can often provide during the various transitions to adulthood, including the purchase of a home.

Furthermore, some young people may have left home at an early age because of a difficult family situation, which may also have long-term repercussions. The fact that the proportion of persons who did not finish their post-secondary education is significantly higher in persons who left home at a relatively young age (16% compared to 7% among those who left at age 16 or older) is an indicator of the various problems they may have encountered. Several other aspects characterizing the particular experiences of these young people that could explain their lower home ownership rate could probably not be measured using this survey.

1. Boyle, Theresa. 2007. "Kids hang in with parents to raise a down payment", T*oronto Star*, April 28.

   El Nasser, Haya. 2005. "Why grown kids come home" *USA Today*, http://www.usatoday.com/news/nation/2005-01-10-cover-kids_x.htm, website checked on July 6, 2007; "Boomerang kids," *Canadian Living*, September 2004.

2. For a description of the various factors that were included in this analysis, see Turcotte, Martin. 2007." Young people's access to home ownership," *Canadian Social Trends*, Catalogue no. 11-008-XIE no. 84.

3. The predicted probabilities in Chart 2 were estimated holding the other factors included in the statistical analysis constant, so that they correspond to the profile of a "typical individual." This "typical person" had the following characteristics: a 35-year-old man with a household income between $50,000 and $59,999, who had completed a college diploma, held a permanent position and lived in the Toronto CMA.

4. BMO Financial Group. 2007. *Reality Bites: Generation Y Moving Home to Break Into the Real Estate Market* Unprecedented number of 21 to 34 year olds living with mom and dad. News release, April 17, 2007. www.bmo.com (accessed on October 24, 2007).

5. If the reference population is changed to include only adults aged 35 to 44 (and if we consider the fact that certain persons return to live with their parents after the age of 30), the conclusions remain exactly the same: boomerang kids are less likely to own their own homes than those who left the family home only once.

6. The difference from the group of people who never returned home to live with their parents was not statistically significant in the logistic regression analysis.

Table A.1 Factors associated with home ownership among young adults no longer living with their parents and having left the parental home between 16 and 29 years of age, 2006

	Odds ratios
Age at departure from parental home	1.76*
Age at departure squared[1]	*0.989**
Reason for return to parental home	
No return to parental home	1.00
Lost employment	0.34*
Break-up of couple	0.63
Financial reasons	0.48*
Studies completed	0.81
Other reason/no reason given	0.81
Household income	
Less than $30,000	0.14*
$30,000 to $39,999	0.32*
$40,000 to $49,999	0.42*
$50,000 to $59,999	*1.00*
$60,000 to $79,999	1.00
$80,000 to $99,999	1.71*
$100,000 or more	1.72*
Highest level of educational attainment	
No secondary diploma	0.84*
Secondary completion	0.83
College or trade diploma	1.08
University degree	*1.00*
Main activity during the previous 12 months	
Permanent employment	*1.00*
Self-employed	1.58*
Temporary employment	0.58*
Looking for work	0.20*
Student	0.28*
Caring for children/keeping house	0.90
Other activity	0.55
Always lived with both parents until age 15	
No	*1.00*
Yes	1.33*
Place of residence[2]	
Toronto CMA	0.41*
Montréal CMA	0.44*
Vancouver CMA	0.46*
Ottawa-Gatineau CMA	0.60
Calgary CMA	0.96
Edmonton CMA	0.43*
CMA with population 250,000 to 750,000	0.61*
CMA or CA with population 100,000 to 250,000	0.80
CA with population 10,000 to 100,000	0.80
Rural areas and small towns	*1.00*
Time since immigration	
Less than 5 years	0.18*
5 to 9 years	0.29*
10 to 24 years	0.61*
25 to 39 years	0.79
Born in Canada	*1.00*
Household living arrangements	
Married without children	0.33*
Common-law union without children	0.20
Married with children	*1.00*
Common-law union with children	0.36*
Lone parent	0.28*
Alone	0.21*
Other	0.08*
Age	1.05*
Sex	
Women	*1.00*
Men	0.90

1. Age of departure squared allows us to see the non-linear relationship between age of departure and the probability of being a homeowner in one's thirties.
2. CMA = Census Metropolitan Area; CA = Census Agglomeration.

* Statistically signficant difference from the reference group shown in italics ($p < 0.05$).

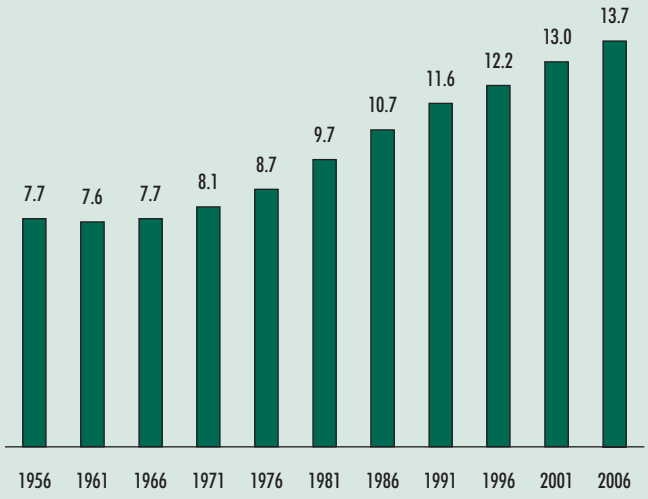
Source: Statistics Canada, General Social Survey, 2006.

CST Census snapshot of Canada — Population (age and sex)

The census is the richest source of information on the social, cultural, demographic and economic status of Canadian society. Canadian Social Trends *will be highlighting some of the key trends observed in data released from the* 2006 *Census.*

Data from the latest census confirm that the Canadian population is aging rapidly. There were, for example, over 4.3 million Canadians aged 65 and over in 2006, a 12% increase since 2001. In fact, the growth rate in the number of seniors was more than double the rate of overall population increase (5%) in the previous five years. As a result, people aged 65 and over made up almost 14% of Canada's population in 2006, up from just under 10% in 1981.

% of the population who are 65 or older



Source: Statistics Canada, Censuses of Population, 1956 to 2006.

As well, older seniors make up the fastest growing segment of the 65-plus population in Canada. In 2006, for example, over a half million Canadians were aged 85 and over, up 25% from 2001. As a result, those aged 85 and over currently represent around 12% of the overall senior population in Canada, up from 8% as recently as 1986.

Given this trend, it is not surprising that there has also been a substantial increase in the number of centenarians living in Canada. At the time of the 2006 Census, there were 4,635 Canadians aged 100 or older, 22% more than there were in 2001.

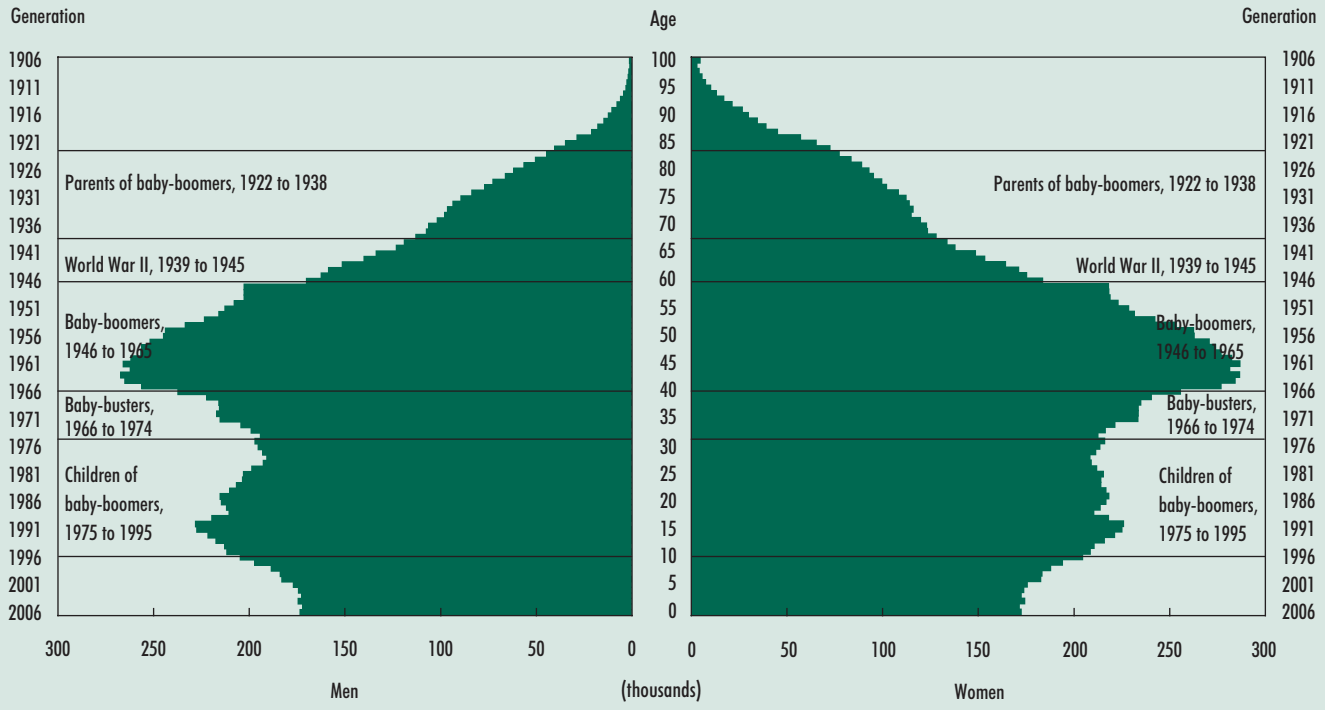
Women also continue to make up the majority of the senior population in Canada. In 2006, 56% of all Canadians aged 65 and over were female. As well, the share of the seniors' population accounted for by women rises substantially with age. In fact, women currently make up almost 70% of all those aged 85 and over.

While the growing number of seniors tends to attract most of the newspaper headlines, the working population is also aging rapidly. In 2006, baby-boomers, people born between 1946 and 1965, were between ages 41 and 60 and they still remained the largest population cohort in Canada. As a result, the fastest growing 10-year age cohort in the country between 2001 and 2006 was aged 55 to 64. Indeed, this pre-retirement age group grew by 28%, a rate of growth more than five times the national average. In contrast, the population aged 15 to 24 increased by only 5% in the same period. In fact, the 2006 Census shows that there are barely enough young people entering the working age group to replace those approaching retirement; just 1.1 persons 15 to 24 for every person aged 55 to 64, compared with 2.3 in 1976. As well, projections show that in about 10 years, Canada may have more people at retirement age than people at the age where they can begin working. An aging working-age population presents considerable challenges for Canadian employers who will have to adjust to a high rate of employee turnover, employee retention, health of older workers and continuous training of employees.

As the baby-boomers aged, moving out of the 30 to 39 age group, the smaller-sized baby-bust cohort replaced them in this age group. This is the age at which women have most of their children. It is, therefore, not surprising that the number of children under age 15 has decreased since 1996 and that they now account for only 18% of the population in 2006, a 50-year low.

Overall, the age distribution in the provinces generally follows the national pattern. The populations of the three Prairie Provinces, though, tend to be somewhat younger, on average, than the rest of the country. In 2006, close to 20% of the populations in each of Manitoba, Saskatchewan and Alberta were under the age of 15, whereas the figure in the remaining provinces averaged around 17%. Alberta is also characterized by a relatively small senior population. That year, just 11% of Alberta residents were aged 65 or over, while in the other provinces the figure was either 14% or 15%.

Age pyramid of the Canadian population in 2006



Source: Statistics Canada, Census of Population, 2006.

The territories are also characterized by relatively young populations. In 2006, one in four residents of the Yukon, Northwest Territories and Nunavut was under the age of 15, compared with 18% nationally. At the same time, seniors made up only 5% of residents of the three territories compared to 14% nationally.

For more information on census population age and sex counts, or about the Census in general, visit the Census website at http://www12.statcan.ca/english/census/index.cfm.

CST Census snapshot of Canada — Families

The richest source of information on the social, cultural, demographic and economic status of Canadian society is the census which is conducted every five years. Canadian Social Trends *will be highlighting some of the key trends observed in data released from the* 2006 *Census.*

Data from the 2006 Census indicate that the large majority (84%) of the population still live in census families[1], while 11% live alone and 5% live with others including relatives and non-relatives. The characteristics of families in Canada continue to change as growth between 2001 and 2006 varied by family structure. Overall, families grew in number by 6% over this period, but common-law couple families grew by 19%, lone-parent families by 8% and married couple families grew by 4%.

Still, in 2006, married-couple families made up 69% of all families in Canada, while common-law couples and lone parents each represented 16% of all families. In comparison, two decades ago, common-law-couple families accounted for only 7% of all census families and lone-parent families made up 13%.

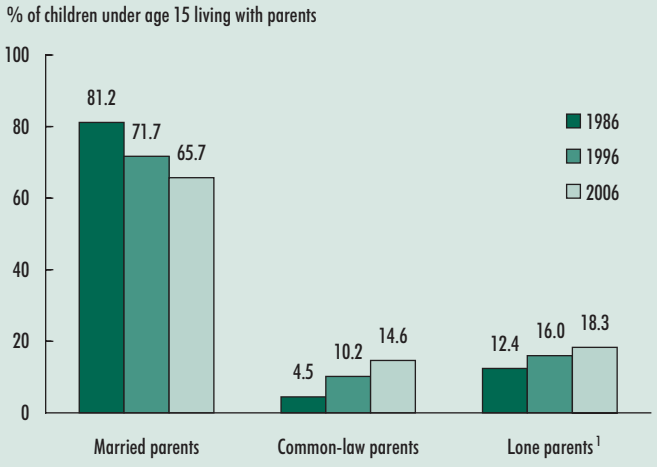
Common-law couples account for a particularly large share of all families in Quebec. In 2006, 29% of all families in Quebec were common-law couples whereas in the remaining provinces the figure ranged from 14% in New Brunswick to just 10% in both Ontario and Prince Edward Island. As a result, Quebec accounted for 44% of all common-law-couple families in Canada in 2006.

Common-law couples also make up a higher share of all family units in the three territories. In fact, in 2006, over one in four families in the Yukon, Northwest Territories and Nunavut were headed by a couple living in a common-law relationship. At the same time, lone-parent families also constitute a relatively large share of families in the territories. That year, almost one in four (23%) of all families in the territories were headed by a lone parent. In contrast, the share of all families headed by a lone parent was fairly close to the national rate in all ten provinces, with the figure ranging from 17% in Nova Scotia, Quebec and Manitoba to 14% in Alberta.

Growth among lone-parent families headed by men exceeded that for such families headed by women. Between 2001 and 2006, for example, the number of male-headed lone-parent families increased by 15%, compared with just 6% among those headed by women. In 2006, women still made up the large majority (80%) of lone parents in Canada. That year, there were a total of 1.1 million female-headed lone-parent families in Canada, which have historically been among the most economically disadvantaged families in the country. While the overall growth rate in the number of lone-parent families has moderated in the past decade, these families continue to account for a relatively large share of all children in Canada. For example, 18% of all children under age 15 lived with a lone parent.

For the first time, Canada had more couples without children than with children. In 2006, 41% of families were couple families who had children while 43% of families were couple families without children. The latter includes couples whose children have left the home, an increasing trend with the aging baby-boom generation. Twenty years earlier, 52% of families were couples with children.

With the rapid increase in common-law couple families, a growing proportion of children under age 15 lived with common-law parents. In 2006, 15% of children under age 15 who lived in private households lived with common-law parents, up from 5% twenty years earlier. In 2006, the majority of children (66%) still lived with married parents while 18% lived with a lone parent.

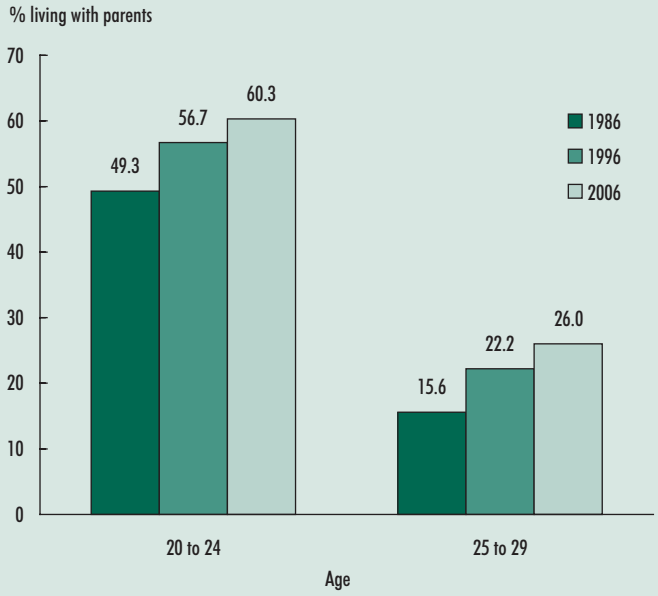


1. Historical comparisons for census families, particularly lone-parent families, must be interpreted with caution due to conceptual changes in 2001.

Note: A small percentage (2.1% or less) of children are counted in the 'other' category and are not shown on this chart.

Source: Statistics Canada, Censuses of Population, 1986, 1996 and 2006.

The latest census also confirmed the long-term trend for young adults to either remain in, or return to, the parental home. In fact, in 2006, 44% of all young adults aged 20 to 29 were living in their parental home, up from 41% in 2001 and 32% in 1986.



Source: Statistics Canada, Censuses of Population, 1986, 1996 and 2006.

Data from the latest census also showed a substantial rise in the number of same-sex couples in Canada. In 2006, there were just over 45,000 same-sex couples in Canada, up 33% from 2001. This was over five times the growth rate of opposite-sex couples, the number of which rose by 6% in the same period. That year, same-sex couples made up just under 1% of all Canadian families, a figure comparable with other industrialized nations which collect such data. As well, just under half of all same-sex couples in Canada lived in the census metropolitan areas of Toronto (21%), Montréal (18%), and Vancouver (10%).

The 2006 census also counted same-sex married couples for the first time, reflecting the legalization of same-sex marriages for all of Canada as of July 2005. Overall, 17% of same-sex couples were married couples.

For more information about families and households from the 2006 *Census, or about the Census in general, visit the Census website at* http://www12.statcan.ca/english/census/index.cfm.

1. A census family is composed of a married or common-law couple with or without children, or a lone parent living with at least one child in the same dwelling.

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